



## Wednesday, January 24, 2018 (Continued)

Page No.

<b>1:00</b>	<b>Recess</b>	
<b>1:05</b>	<b>Assemble at Alaska State Capitol, Room #519</b>	
<b>1:30</b>	<b>House Finance Committee Presentation</b> Alaska State Capitol, Room #519	
<b>3:00</b>	<b>Statutory Advisor Updates</b> Patrick Reinhart, Executive Director, Governor's Council on Disabilities and Special Education	119
<b>3:30</b>	<b>Statutory Advisor Updates</b> Denise Daniello, Executive Director, Alaska Commission on Aging	121
<b>4:00</b>	<b>Recess</b>	
<b>4:30</b>	<b>Public Comment</b> • For Public Comment Guidelines click <a href="#">here</a>	

## Thursday, January 25, 2018

	<u>Page No.</u>
<b>9:00</b>	
<b>Statutory Advisor Updates</b>	
Alison Kulas, Executive Director, Alaska Mental Health Board / Advisory Board on Alcoholism and Drug Abuse	117
<b>9:30a</b>	
<b>Approval</b>	
FY18 Budget Modification – Small Projects	133
<b>9:45</b>	
<b>Program and Planning Committee Report</b>	135
<b>10:00</b>	
<b>Resource Management Committee Report</b>	141
• Approval – AMHTA / USFS Land Exchange	
• Approval – Donlin Gold, LLC – Conservation Purchase	
<b>10:30</b>	
<b>Audit &amp; Risk Committee Report</b>	144
• Approval of SFY17 Trust Basic Financial Audit	
<b>11:00</b>	
<b>Finance Committee Report</b>	146
• Approval – Account Consolidation	
• Approval – FY2018 Pay-Out	
<b>11:30</b>	
<b>Break/Lunch Provided</b>	
<b>12:30</b>	
<b>Adjourn</b>	
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<b>2:30</b>	
<b>Site Visits</b>	
• 2:30-3:00	Juneau Downtown Warming Center
• 3:15-4:00	Juneau Housing First Collaborative

## Future Meeting Dates

### Full Board of Trustee / Program & Planning / Resource Management / Finance 2018 / 2019 / 2020

(Updated – January 2, 2018)

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- Program & Planning Committee January 4, 2018 (Thu)
- Resource Mgt Committee January 4, 2018 (Thu)
- Finance Committee January 4, 2018 (Thu)
- Full Board of Trustee January 24-25, 2018 (Wed, Thu) – JUNEAU
  
- Program & Planning Committee April 18, 2018 (Wed)
- Resource Mgt Committee April 18, 2018 (Wed)
- Finance Committee April 18, 2018 (Wed)
- Full Board of Trustee May 9, 2018 (Wed) – TBD
  
- Program & Planning Committee Jul 31- Aug 1, 2018 (Tue, Wed)
- Resource Mgt Committee August 2, 2018 (Thu)
- Finance Committee August 2, 2018 (Thu)
- Full Board of Trustee Sep 5-6, 2018 (Wed, Thu) – Anchorage  
– TAB
  
- Program & Planning Committee October 17, 2018 (Wed)
- Resource Mgt Committee October 17, 2018 (Wed)
- Finance Committee October 17, 2018 (Wed)
- Full Board of Trustee November 15, 2018 (Thu) – Anchorage – TAB

## Future Meeting Dates

### Full Board of Trustee / Program & Planning / Resource Management / Finance 2018 / 2019 / 2020

(Updated – January 2, 2018)

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- |                                |                            |                                 |
|--------------------------------|----------------------------|---------------------------------|
| • Program & Planning Committee | January 3, <u>2019</u>     | (Thu)                           |
| • Resource Mgt Committee       | January 3, <u>2019</u>     | (Thu)                           |
| • Finance Committee            | January 3, <u>2019</u>     | (Thu)                           |
| • Full Board of Trustee        | January 30-31, <u>2019</u> | (Wed, Thu) – JUNEAU             |
|                                |                            |                                 |
| • Program & Planning Committee | April 17, <u>2019</u>      | (Wed)                           |
| • Resource Mgt Committee       | April 17, <u>2019</u>      | (Wed)                           |
| • Finance Committee            | April 17, <u>2019</u>      | (Wed)                           |
| • Full Board of Trustee        | May 8, <u>2019</u>         | (Wed) – TBD                     |
|                                |                            |                                 |
| • Program & Planning Committee | July 30-31, <u>2019</u>    | (Tue, Wed)                      |
| • Resource Mgt Committee       | August 1, <u>2019</u>      | (Thu)                           |
| • Finance Committee            | August 1, <u>2019</u>      | (Thu)                           |
| • Full Board of Trustee        | September 4-5, <u>2019</u> | (Wed, Thu) – Anchorage<br>– TAB |
|                                |                            |                                 |
| • Program & Planning Committee | October 16, <u>2019</u>    | (Wed)                           |
| • Resource Mgt Committee       | October 16, <u>2019</u>    | (Wed)                           |
| • Finance Committee            | October 16, <u>2019</u>    | (Wed)                           |
| • Full Board of Trustee        | November 14, <u>2019</u>   | (Thu) – Anchorage – TAB         |

## Future Meeting Dates

### Full Board of Trustee / Program & Planning / Resource Management / Finance 2018 / 2019 / 2020

(Updated – January 2, 2018)

- |                                |                            |                                 |
|--------------------------------|----------------------------|---------------------------------|
| • Program & Planning Committee | January 3, <u>2020</u>     | (Fri)                           |
| • Resource Mgt Committee       | January 3, <u>2020</u>     | (Fro)                           |
| • Finance Committee            | January 3, <u>2020</u>     | (Fri)                           |
| • Full Board of Trustee        | January 29-30, <u>2020</u> | (Wed, Thu) – JUNEAU             |
|                                |                            |                                 |
| • Program & Planning Committee | April 22, <u>2020</u>      | (Wed)                           |
| • Resource Mgt Committee       | April 22, <u>2020</u>      | (Wed)                           |
| • Finance Committee            | April 22, <u>2020</u>      | (Wed)                           |
| • Full Board of Trustee        | May 7, <u>2020</u>         | (Thu) – TBD                     |
|                                |                            |                                 |
| • Program & Planning Committee | August 4-5, <u>2020</u>    | (Tue, Wed)                      |
| • Resource Mgt Committee       | August 6, <u>2020</u>      | (Thu)                           |
| • Finance Committee            | August 6, <u>2020</u>      | (Thu)                           |
| • Full Board of Trustee        | September 2-3, <u>2020</u> | (Wed, Thu) – Anchorage<br>– TAB |
|                                |                            |                                 |
| • Program & Planning Committee | October 21, <u>2020</u>    | (Wed)                           |
| • Resource Mgt Committee       | October 21, <u>2020</u>    | (Wed)                           |
| • Finance Committee            | October 21, <u>2020</u>    | (Wed)                           |
| • Full Board of Trustee        | November 19, <u>2020</u>   | (Thu) – Anchorage – TAB         |

## Future Meeting Dates Statutory Advisory Boards - 2018 (Updated – January 2, 2018)

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### **Alaska Mental Health Board / Advisory Board on Alcoholism and Drug Abuse**

- April 17-19, 2018 – Utqiagvik / Barrow

### **Governor’s Council on Disabilities and Special Education**

- Jan. 31-Feb 2, 2018 – Juneau
- May 15, 2018 – Video/Teleconference
- October 4-6, 2018 – Anchorage

### **Alaska Commission on Aging**

- February 5-9, 2018 – Juneau
- May 2018 – Date to be determined.

**The Trust's  
Guiding Principles /  
Mission Statement /  
Trust Budget  
Process Flowcharts**

## Trust Guiding Principles

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**To improve the lives of Trust beneficiaries, The Trust is committed to:**

Education of the public and policymakers on beneficiary needs;

Collaboration with consumers and partner advocates;

Maximizing beneficiary input into programs;

Continually improving results for beneficiaries;

Prioritizing services for beneficiaries at risk of institutionalization or needing long-term, intensive care;

Useful and timely data for evaluating program results;

Inclusion of early intervention and prevention components in programs;

Provision of reasonably necessary beneficiary services based on ability to pay.

Approved 5-12-09, Board of Trustee meeting

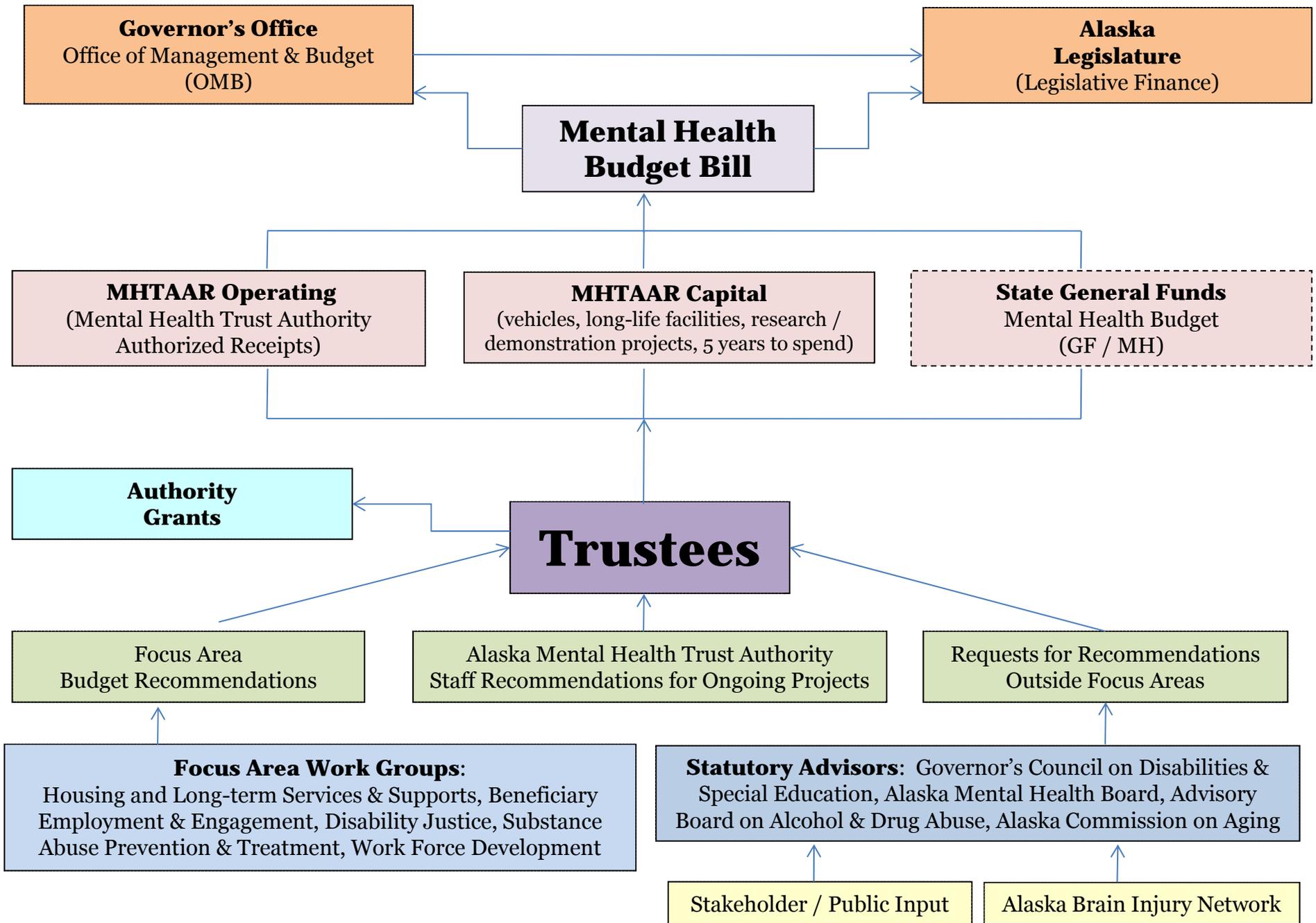
## Trust Mission Statement

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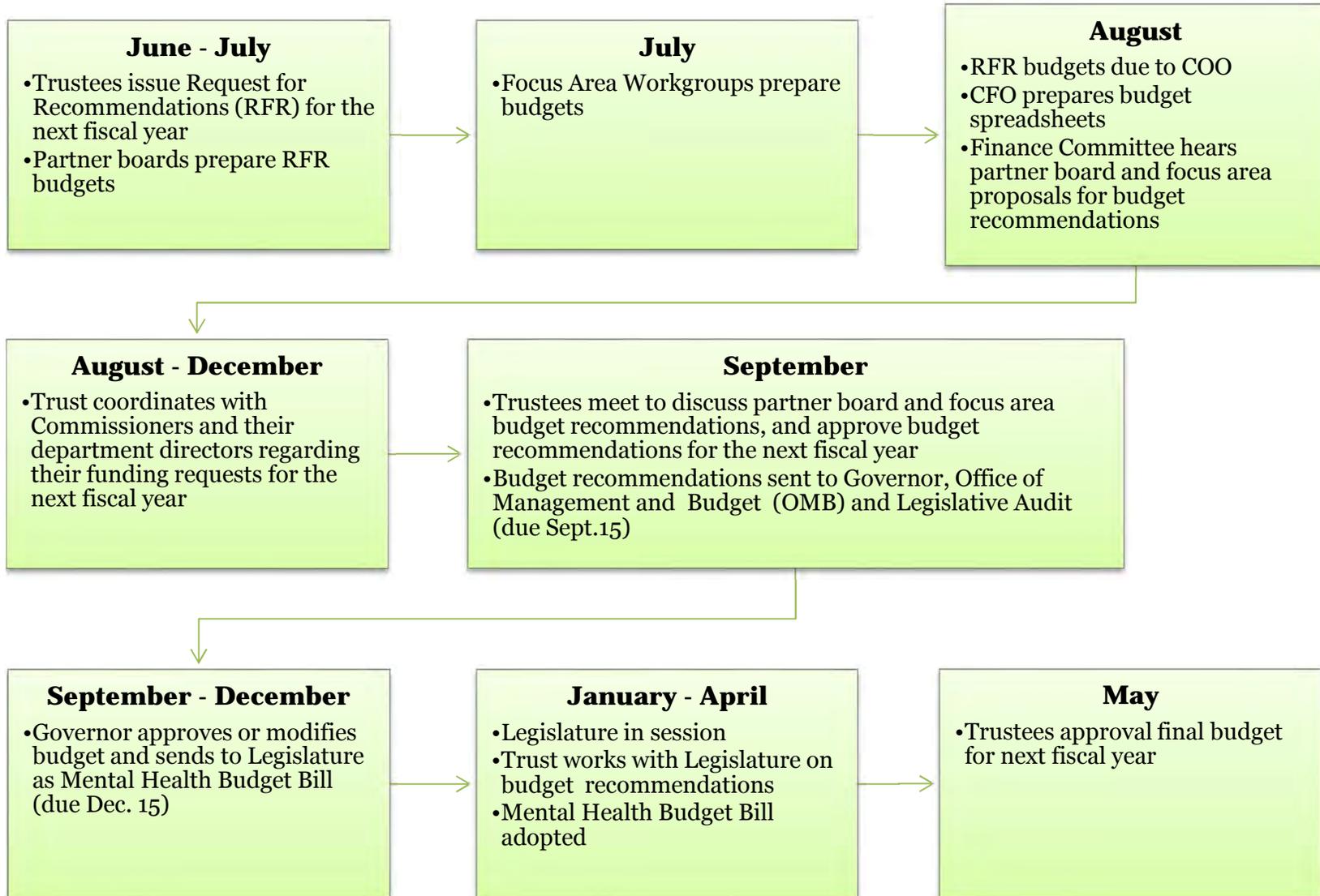
The Alaska Mental Health Trust Authority (The Trust) administers the Mental Health Trust to improve the lives of beneficiaries. Trustees have a fiduciary responsibility to protect and enhance trust assets in perpetuity for the beneficiaries. The Trust provides leadership in advocacy, planning, implementing and funding of the Comprehensive Integrated Mental Health Program; and acts as a catalyst for change.

Approved 5-12-09, Board of Trustee meeting

# Alaska Mental Health Trust Authority Budget Process



## Annual Mental Health Budget Bill Process

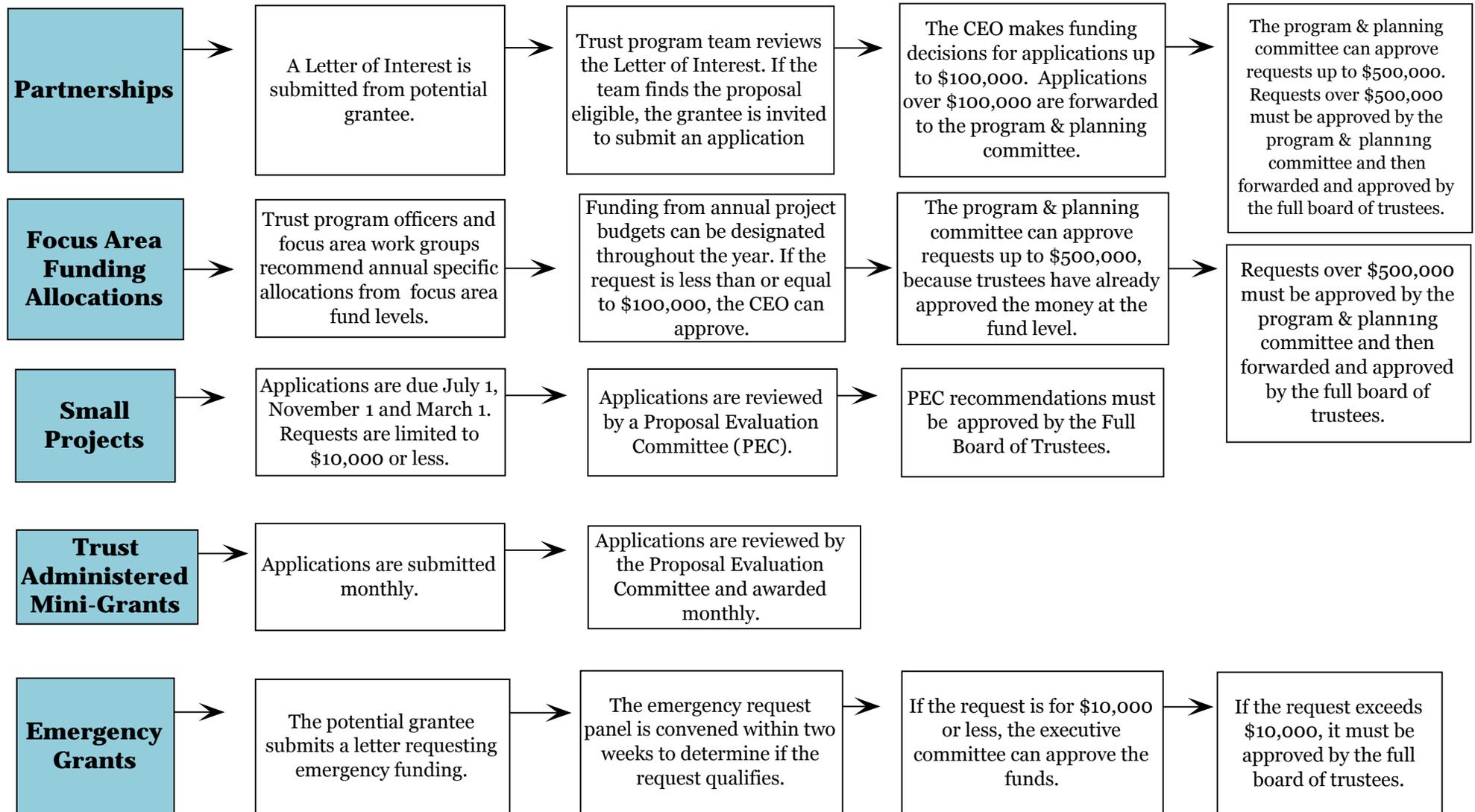


Note: timeline represents those items in the green boxes in the chart entitled "Alaska Mental Health Budget Process"

02/18/16

# Grant Approval Process for Authority Grant Funds

All annual budgets are approved by the full board of trustees at the September meeting



Note: this chart depicts those items included in the blue box labeled "Authority Grants" on the chart entitled "Alaska Mental Health Trust Authority Budget Process"

# Trust Annual Calendar

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
<b>Board Administration</b>												
Trustee reports due to APOC – <b>Mar 15</b>			XX									
Trustee committee assignments					XX							
Officer elections									XX			
Board evaluations										XX	XX	
CEO evaluation											XX	
<b>Trust Administration</b>												
Legislature convenes	XX											
Trustees present budget to House/ Senate Finance Committees	XX	XX										
Legislature adjourns				XX								
Request for Recommendations (RFR) issued to partner boards April 30				XX								
Fiscal year ends <b>June 30</b>						XX						
Fiscal year begins <b>July 1</b>							XX					
RFRs due from partner boards <b>July 30</b>							XX					
Advocacy Summit											XX	
Staff drafts Trust office budget for next fiscal year								XX				
Staff coordinates w/DHSS on budget								XX	XX	XX	XX	XX
Trustee meeting to approve next fiscal year budget									XX			
Trust budget recommendations due <b>September 15</b> to Governor/ Legislative Finance									XX			
Financial audit begins							XX					
Financial audit completed										XX		
Staff coordinates with OMB/DHSS on budget recommendations										XX	XX	XX
Trustees meet to finalize budget											XX	
Governor's budget released <b>December 15</b>												XX

04/17/15

**Minutes for the  
September 6-7, 2017  
Full Board of Trustee  
Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY

FULL BOARD OF TRUSTEES MEETING

September 6, 2017

8:30 a.m.

Taken at:

3745 Community Park Loop, Suite 120  
Anchorage, Alaska

**OFFICIAL MINUTES**

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Trustees present:

Mary Jane Michael, Chair  
Carlton Smith  
Paula Easley  
Laraine Derr  
Jerome Selby  
Christopher Cooke

Trust staff present:

Greg Jones  
Miri Smith-Coolidge  
Valette Keller

Trust Land Office:

Wyn Menefee  
Sarah Morrison

Others Participating:

Angela Rodell; Amanda Lofgren; Denise Daniello; Pat Sidmore; Patrick Reinhart; Michael Bailey; Randy Zarnke; Dave Brown; Dave Talerico (via telephone); Nate Boltz; Dave Hart; Kathy Craft; Lisa Cauble; Gloria Burnett; Esther Seo; Trevor Pierce (via telephone); Mike Sanders; Rorie Watt; Valerie Davidson; Randall Burns; Nancy Burke; Sarah Gillespie; Michelle Brown; Clare Sullivan (via telephone); Laura Brooks; Akiva Lieberman; Adam Rutherford; April Wilkerson; Kristin Vandergriff.

**PROCEEDINGS**

**CALL TO ORDER**

CHAIR MICHAEL calls the meeting to order and asks for a roll call. Trustee Webb is not present, but there is a quorum. She moves to the agenda and asks for any additions or corrections. There being none, she asks for a motion.

TRUSTEE COOKE makes a motion to approve the agenda.

TRUSTEE SELBY seconds.

*There being no objection, the motion is approved.*

CHAIR MICHAEL states that the Guiding Principles can be reviewed at the trustees' leisure. She asks for any ethics disclosures.

MR. WILLIAMS states that he is currently on the board and is the chair of the board of directors for Bean's Café

CHAIR MICHAEL thanks Mr. Williams, and moves to the minutes for the May 3<sup>rd</sup> and 4<sup>th</sup> meeting.

TRUSTEE COOKE makes a motion to approve the minutes of May 3 and 4, 2017.

TRUSTEE SELBY seconds.

*There being no objection, the motion is approved.*

## **EXECUTIVE SESSION**

CHAIR MICHAEL states that next is the review of the applications of the candidates for the CEO position. She asks for a motion to go into Executive Session.

TRUSTEE SELBY makes a motion that the Board go into Executive Session to consider CEO applications received to date that, by law, are not subject to public disclosure under Alaska Statute 39.25.080(a).

TRUSTEE COOKE seconds.

*There being no objection, the motion is approved.*

(Executive Session from 8:35 a.m. until 11:01 a.m.)

CHAIR MICHAEL calls the meeting back to order and asks for a motion to come out of Executive Session.

TRUSTEE DERR makes a motion to come out of executive session, and no decisions were made.

TRUSTEE SELBY seconds.

*There being no objection, the motion is approved.*

TRUSTEE MICHAEL states that Executive Session ended at 11:01 a.m. She continues that the next item on the agenda is Angela Rodell from the Permanent Fund.

## **STATUTORY ADVISOR UPDATE**

MS. RODELL began with the five-year strategic plan that the board of trustees for the Permanent Fund approved at its annual meeting in 2016. She states that the strategic priorities for the Permanent Fund Corporation were determined: one was to gain greater control of resource allocations; second, optimize the processes and use of the financial network; third, to develop the best-in-class investment management capabilities, partnerships, and geographic reach to maximize those returns; and, finally, to continue to enhance talent and staff across the corporation. She continues that the biggest part of executing the plan is developing an asset allocation structure. The board approved both an allocation structure and asset allocation at its last board meeting. She explains that the structure is divided between growth and income. Then, this is divided into two subcategories: that which is tradeable and very liquid; and that which is illiquid. She explains this with examples from her slide presentation. She then explains what contributed to the success of the fund in fiscal year 2017 in greater detail. She explains that asset allocation are the strategies that are overlaid over the entire fund.

TRUSTEE EASLEY asks about the alternative energy, and if it has fluctuated in the funds, or does it show up in the funds invested.

MS. RODELL replies that it has not yet been seen. Most of or 90 percent of the alternative energy is in Europe, which is a more developed market; and the regulatory environment is completely different. She continues her presentation, explaining as she goes along. She moves on and talks about the value created to the Trust, stating that over the last four years that value has been maintained. She mentions being pleased in continuing to manage the money of the Trust. She asks for any questions.

TRUSTEE SHELBY states appreciation for all the hard work done in managing the Trust money. He continues that he would like to talk about any option there may be to increase the income of the returns, and if the Fund is interested in and willing to do that.

MS. RODELL replies that the challenge of the corporation is because of limited staffing. She continues explaining in more detail.

A discussion ensues.

CHAIR MICHAEL thanks Ms. Rodell and breaks for lunch. Public Comment will be held at noon.

(Lunch break.)

## **PUBLIC COMMENT**

CHAIR MICHAEL asks Mr. Williams to go over the requirements and rules for public comment.

MR. WILLIAMS goes through the guidelines for public comment. Individuals are invited to speak up to three minutes. He adds that this is about trying to give the trustees, staff, and others information about what is seen in the community.

CHAIR MICHAEL recognizes Michael Bailey who is with AADD and will talk about the DD system.

MR. BAILEY states that he is president of the Alaska Association on Developmental Disabilities. He expresses their heartfelt thanks and appreciation for all the work that has gone into the DD systems collaborative, and the creation of the shared vision that enables all stakeholders, a broad spectrum of beneficiaries, that are impacted in a positive way by having a common vision regardless of whether there are lots of resources available or less resources. He continues that this is about working together with whatever resources available, being able to produce a useful infographic that can be used in educating legislators as to the types of services that are needed. He, again, thanks the Trust for funding a consultant that can help move this from becoming a vision to practical ways of implementation and getting various stakeholders, providers together to allow that to happen.

CHAIR MICHAEL thanks Mr. Bailey for being a positive leader in all of this. It is rewarding to hear that Alaska is keeping pace with what the rest of the nation is doing.

TRUSTEE SMITH states that he is unfamiliar with the organization and asks for some background on it.

MR. BAILEY replies that he is the CFO of Hope Community Resources, Hope, and Hope Cottages, previously a provider of services to folks who experience developmental disabilities. Being one of about 40 to 50 providers across the state, they often encounter the same types of issues as providers. He continues that there is a nonprofit association, the Alaska Association on Developmental Disabilities, which is the voice of those providers. Instead of having 40 or 50 pieces of information, the themes are unified, and then we work on solutions in partnership and collaboration with them.

CHAIR MICHAEL states that she was one of the founders of the organization and is very proud of where it is today. She thanks Mr. Bailey for all his hard work.

TRUSTEE EASLEY asks how many residential units are managed statewide.

MR. BAILEY replies that the Hope Community Resources is about 80.

CHAIR MICHAEL thanks Mr. Bailey, and recognizes Randy Zarnke.

MR. ZARNKE serves as the president of the Alaska Trappers Association organization with about 850 members throughout the state. He states that, over the past few years, requests from members have been received, primarily in Southeastern Alaska, for help in gaining access to areas that are closed to trapping. He continues that the areas in question were Mental Health Trust lands. It is his understanding that the Mental Health Trust allows a variety of consumptive-use activities, such as hunting, fishing, berry-picking, but requires a \$500 permit for trapping. He adds that there is very little difference between trapping and the other consumptive activities other than the minimal equipment left overnight in the field. He states that the current policy could be based on an assumption that all trapping is commercial in nature, and that trappers are making money without compensating the Trust. Trapping in Alaska is a heritage activity and it is purposefully not defined in law as commercial. Few trappers make a significant profit. He is seeking support for a change in that policy that will offer an affordable opportunity for trappers on Trust land. He adds that they have begun working with Trust staff, Bruce Busby and Wyn Menefee, to explore mutually acceptable solutions. He states that he is cognizant of the need for the Trust to generate revenue from the lands. Accommodating this request could come with minimal cost, and both direct and indirect benefits to mental health. He continues that they are not completely opposed to use of permits with appropriate terms and conditions, but \$500 is outside the budget of the majority of trappers who would like to participate. He added that Mr. Busby has confirmed that the current policy brings in zero dollars to the Trust because no trappers have applied. He states that a more reasonable system requiring perhaps a general permit that would be endorsed and not require permit fees from individual trappers or royalty payment of furs that are harvested from Trust lands, would be acceptable to trappers and bring dollars into Trust accounts. He also believes that having respectful and knowledgeable users, such as our members, on the land could result in cost savings. He continues that he has been working with Trust staff to come up with a solution, and requests the trustees' support in moving forward.

TRUSTEE COOKE asks if there is a fee system elsewhere, or is the Trust the only one.

MR. ZARNKE replies that he is not aware of any fee system other than on private lands where it may be necessary for Native regional corporations to pay a fee. He adds that there is no fee base on state and federal land.

CHAIR MICHAEL thanks Mr. Zarnke, and asks if there is anyone on-line that would like to testify. She recognizes Dave Brown from Wrangell.

MR. BROWN states that he has lived in Wrangell for 35 years and is a retired teacher, a commercial fisherman, and a recreational trapper. He continues that he is a past member of the Alaska State Board of Game and would like to see the board make changes to its policy regarding trapping on Mental Health lands. He would like to see the \$500 fee changed or eliminated to allow trappers to keep their gear on Trust land overnight. He states that young trappers need to be encouraged to keep up the Alaska heritage. Trapping is what brought people to Alaska originally, before gold, fishing and oil. This would also allow experienced trappers to mentor young trappers in an easy-to-access area. Thank you for your consideration.

CHAIR MICHAEL thanks Mr. Brown, and asks for anyone else on-line. She recognizes Dave Talerico.

REPRESENTATIVE TALERICO states that he has the pleasure of representing people in House District 6 in the Alaska House of Representatives. He continues that he has been contacted by several trappers, both members of the association and not, with their concern over the \$500 permit. He adds that he is calling to encourage a resolution to this somehow or another, and if possible, rapidly. Thank you.

CHAIR MICHAEL thanks Representative Talerico, and recognizes David Hart with Challenge Alaska, and Nate Boltz.

MR. BOLTZ states that on behalf of all of Challenge Alaska's participants, he expresses their heartfelt thanks for the grant provided in the purchase of the land in Girdwood. He continues that they were able to close on the land at the end of June.

MR. HART states that he is also on the board of directors and was the chair of the land acquisition committee for the past two years. With the help of the board and Beth Edmands-Merritt, CEO, \$1.3 million was raised. He adds that Challenge is a wonderful organization with hundreds of clients and thousands of family members. He thanks all.

CHAIR MICHAEL comments that building is one of the shining stars on the mountain. She thanks them for all the hard work put into raising that money. Congratulations. She asks for anyone else on-line or in the audience that would like to testify. Hearing none, the public comment period is closed.

TRUSTEE COOKE states he has a question to follow up with the issues the Trapping Association raised. He asks Mr. Menefee if the Land Office is working on some information or suggestions about a land-use policy for trappers, hunters and fishermen.

MR. MENEFEE replies that a conversation with the Trapping Association has started. He states that this is a land management thing; one of the many things that they deal with. The aspect of working on the general permit is one of the things that have been considered. Holding fast to the principles of the Trust and making sure that some revenue is coming in, as well as making sure it does not cost more to manage than what is brought in. He adds that he will bring back the solution and explains that it is not a matter of getting approval.

TRUSTEE SELBY states that he would like to know what the resolution is.

CHAIR MICHAEL states that the next presentation is at 1:00 o'clock and breaks for 35 minutes.

(Break.)

## MISSION MOMENT

CHAIR MICHAEL calls the meeting back to order and states that Kathy Craft and Gloria Burnett will share a mission moment, and will introduce the participants.

MS. CRAFT states that she is excited to talk about this successful project which began with an idea about behavioral health careers pathways camp. The first camp was piloted in Barrow in 2015, and they have since expanded, in 2016, to a second cohort in Barrow and also in Anchorage and Fairbanks. This summer they reached out to Bethel, Nome, and Ketchikan with successful camps; and next year are hoping for Kenai, Soldotna, Dillingham, Fairbanks, and Galena. She continues that a spring break career pathways was done during the spring break session. Here students volunteered to come in and do camps at that time. She states that Gloria Burnett will talk about what is covered at camp, the courses, and will also discuss some of the preliminary evaluation data.

MS. BURNETT states that she is excited to present some of the students and their experiences with this program, and also to formally thank the Trust for providing the resources to do this. She continues that, to date, there have been 124 participants with 80 percent of those students reporting an increase in interest in behavioral health, and 97 percent reporting an increase in knowledge about behavioral health. They are not only being introduced to health careers in behavioral health; the negative stigma associated with mental illness is being reduced, which is very important. She adds that all of the participants are now certified mental health first-aiders able to identify and support referrals to a mental illness crisis. They are also offered an opportunity to continue and earn dual credit through psychology courses. That has been piloted on a smaller scale, and we are looking to expand that next summer so they have a follow-up ability to earn general education requirement credits that will count towards their program of study once they enter the college requirement. She also talks about the long-term tracking of the students under the age of 18, and goes through the data. She introduces Trevor Pierce and Esther Seo, two of the participants.

MS. SEO states that she is a senior at Service High School in Anchorage, and this program has really interested her into the psychology field to the point of taking a psychology course in school. She continues that it was a good, safe environment for each person to talk about their mental illness, and to talk about the people around and how to help them. It also helped to learn more about behavioral health.

MR. PIERCE states that he goes to Southern Mountain High School in Juneau and had a terrific time at the camp. It was incredibly knowledgeable and the amount of in-depth aptitude towards mental health and behavioral health was incredible. There were many activities, and our personal issues and concerns were also included.

MS. BURNETT goes through some of the pictures, explaining the activities as she went through. She told the students that this is a tool kit that a future provider might want to use in the field and, also, at the same time learn about themselves and how important it is to understand yourself and the importance of self-care. This is essential to behavioral health because burnout is a real thing. She continues that the mental health first aid is one of the most valuable tools they receive

with the certificate. That confidence and their ability to confront those incidents when seen and knowing the right pathway to take in order to help those people in need is important.

TRUSTEE EASLEY asks if suicide prevention was talked about.

MS. BURNETT replies yes, and asks Ms. Seo to share some of her experiences.

MS. SEO states that they had mental first aid about suicide, and all of us are trained in it. She continues that they also got to talk about each of our problems and suicide, and how to prevent it was one of the topics. It was a safe environment for all to talk about things that are stigmatized in a negative way for mental health. She adds that this program has prompted her to look more into psychology. She will be going to college next year, and wants to major in psychology and biology.

MS. CRAFT asks Ms. Burnett to talk about the Trust's small funding and how it helped.

MS. BURNETT states that the first pilot funds were provided to pilot the first camp. Then, data from that first camp was used to apply for Carl Perkins funding through the Department of Education. We now have a three-year grant for \$150,000 a year which will fund and expand these camps. Also piloted last year within a program at Valley Pathway School in Palmer, which is an alternative high school, is an experiment with how to change the curriculum and integrate it into the school curriculum so that students can earn high school credit for the course.

TRUSTEE EASLEY asks, of the different fields, which would have the most impact in rural Alaska, and did some of the students express an interest in working in rural Alaska. She adds that getting people out there is a big problem.

MS. SEO replies that she had been looking at having a career in the Lower 48, but now that she knows that her personal home state has such a big problem with mental health, she would like to come back and help the community that she lives in. So, it was very impactful in that way, too.

MR. PIERCE states that he is interested in music therapy. He continues that music is his passion, and he wants to attribute it to something that would help people. That was what prompted him to take behavior health, to widen his knowledge, and it is what he wants to pursue in college.

CHAIR MICHAEL asks for any other questions. She thanks all and states that it is inspiring to see young people want to be in the profession and share it with other Alaskans.

## **FY19 BUDGET DELIBERATIONS**

CHAIR MICHAEL states that next on the agenda is the FY19 budget deliberations, and gives the gavel to Laraine Derr, who will be the acting finance chair.

TRUSTEE DERR asks Steve Williams to go through this month's cash management report.

MR. WILLIAMS walks through the cash management report which is important in getting ready to talk about the FY19 budget recommendations.

CHAIR MICHAEL recognizes that Nelson Page is present.

MR. WILLIAMS goes through the cash management report, explaining and answering questions as he goes along. He reminds all that the FY17 budget closed on June 30, 2017.

A brief discussion ensues about the report.

MR. WILLIAMS segued into the conversation around the FY19 budget. He states that Nelson Page is here to help facilitate: walking through the budget; making sure the necessary motions get on the record. He begins by asking all to look at the FY19 payout projection. He recognizes Trustee Selby.

TRUSTEE SELBY makes a motion that, for FY2019 planning purposes, the Full Board budget of \$29,578,700 for available funding, including unobligated carryover for FY2019 and MHTAAR and Authority Grants.

TRUSTEE DERR seconds.

*There being no objection, the motion is approved.*

MR. WILLIAMS moves to the FY19 payout estimate and goes through and calculates what is available for trustees to allocate. He states that there is \$21,974,100 coming out of the budget reserve and principal. He goes through, explaining as he goes along. He asks Mr. Page to walk through the FY19 budget recommendations spreadsheet.

MR. PAGE states that there are two documents that will be worked with; one is the spreadsheet, and the other is the motion sheet.

CHAIR MICHAEL recognizes Trustee Easley.

TRUSTEE EASLEY states that a lot of the discretionary money is away from the Authority budget, and is wondering what to do and where to go if more funding is needed for operations.

MR. WILLIAMS replies that the money cannot come from the principal, but there are budget reserves.

TRUSTEE EASLEY asks if it can come from the projected payout.

MR. WILLIAMS responds that there is \$227,800 there that is unobligated. There does create some latitude. He explains in greater detail.

A brief discussion ensues.

MR. PAGE begins with the spreadsheet which is a summary of the various recommendations that will be gone through in detail to get through the next few pages of the spreadsheet. He explains that there are three columns: first is the numbers that were recommended by the board of trustees last fall; second is the recommendations for today which will incorporate changes that have been recommended by staff and the trustees; the third is where the changes are reflected.

TRUSTEE DERR makes a motion to suspend the motion for the entire budget until we get to the end of all these intervening motions.

TRUSTEE SELBY seconds.

*There being no objection, the motion is approved.*

MR. PAGE asks for a motion to accept the numbers for the TLO and the Trust Authority admin budget.

TRUSTEE SELBY makes a motion that the Full Board of Trustees authorize the \$4,135,300 in MHTAAR admin for Trust Authority administration budget and \$4,568,375 MHTAAR for the Trust Land Office administration budget for FY2019.

TRUSTEE EASLEY seconds.

A discussion ensues.

MS. MORRISON states that, usually, the budget story is not as complicated as it is right now. It started out with an FY18 operating budget proposal for the trustees of \$4,473,600, not taking into account at that time for any increases for health insurance with the understanding that later trustees would ratify. The Governor added \$44,300 for health insurance with the expectation that trustees would ratify that in the spring. Then the Governor removed \$54,700 from the original request to the trustees. Then, later, the Legislature removed \$250,000, for a total of \$304,700 in cuts. That left \$4,213,200, which is what is actually on the paper with the management plan.

The discussion continues.

TRUSTEE DERR moves to a red line of \$12,000, which is unclear.

MS. MORRISON replies that this is year-to-date and it was not updated as of the end of the reappropriation period and just reflects what was not cleared and for the credit card expenditure. It is zero now.

CHAIR MICHAEL asks Mr. Page to continue.

MR. PAGE states that there is a motion to accept the proposed numbers for the Trust and TLO administrative budgets. He adds that it is time to call the question.

CHAIR MICHAEL calls the question.

*There being no objection, the motion is approved.*

MR. PAGE moves to No. 3 on the motion sheet.

TRUSTEE SELBY makes a motion that the Full Board of Trustees appropriate \$5,952,000 in MHTAAR and Authority Grants for other nonfocus area projects for FY2019 consisting of \$887,000 MHTAAR and \$5,065,000 Authority Grants.

TRUSTEE DERR seconds.

MR. PAGE asks if there are any changes, amendments or objections to the motion.

MR. WILLIAMS recommends going through each subsection quickly, and then asking for questions or changes.

MR. PAGE goes through each of the subsections. He states that this is the time to make the formal official recommendations and decisions which will then be forwarded to the Governor's office.

CHAIR MICHAEL calls the question.

*There being no objection, the motion is approved.*

MR. WILLIAMS recommends going through the budget as presented, and before the final motion that approves everything, have a discussion about the projects and whether they should be included.

CHAIR MICHAEL also suggests waiting until the end. She calls a five-minute break.

(Break.)

CHAIR MICHAEL states that there is a bit of scheduling difficulty, and there is a need to go into executive session.

TRUSTEE SELBY makes a motion to go into executive session for the purpose of reviewing applications of candidates for the CEO position.

TRUSTEE COOKE seconds.

*There being no objection, the motion is approved.*

(Executive session from 2:15 p.m. until 4:06 p.m.)

CHAIR MICHAEL calls the meeting back to order and asks for a motion.

TRUSTEE SELBY makes a motion to come out of executive session where no action was taken.

TRUSTEE EASLEY seconds.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the Full board of Trustees appropriate \$3,090,300 in the MHTAAR and Authority Grants for the Alaska systems reform-Medicaid reform and redesign Senate Bill 74 implementation investments during FY2019, consisting of \$3,090,300 MHTAAR and zero Authority Grants.

TRUSTEE DERR seconds.

MR. PAGE states that this is the entire department and asks for any questions, amendments, or changes.

TRUSTEE COOKE asks for the status of the Medicaid reform initiative.

MS. BALDWIN-JOHNSON states that the funding that was approved for the Medicaid reform was through FY19. There is an additional funding that is allocated beyond what has been proposed for FY19. She adds that there was Medicaid money that started in '17.

*There being no objection, the motion is approved.*

MR. PAGE goes through the next sections one by one and asks for any questions, changes, or questions. He states, that moves that section covered by the motion.

*There being no objection, the motion is approved.*

MR. PAGE states that the next section is criminal justice reform and investment.

TRUSTEE SELBY makes a motion that the Full Board of Trustees appropriate \$3,795,300 in MHTAAR and Authority Grants for the Alaska systems reform-criminal justice reform and redesign Trust-related investments during FY2019 consisting of \$2,360,300 MHTAAR and \$1,435,000 of Authority Grants. I further move the Full Board of Trustees recommend the appropriation of zero GF/MH funding for FY2019.

TRUSTEE DERR seconds.

MR. PAGE goes through the next sections one by one and asks for any questions, changes, or questions.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the Full Board of Trustees appropriate \$1,906,500 in MHTAAR and Authority Grants for the housing long-term services and support focus area during FY2019 consisting of \$1,450,000 MHTAAR and \$456,500 Authority Grants. I further move the Full Board of Trustees recommend the appropriation of \$3,350,000 in GF/MH funding and \$8,100,000 of other funds for the focus area for FY2019.

TRUSTEE COOKE seconds.

MR. PAGE begins with housing and long-term services supports policy coordination. He asks for any questions.

TRUSTEE COOKE notes that in the program package there is a proposal dealing with the City of Fairbanks' housing coordinator. He asks if approving a budget that includes that appropriation means that the proposal is automatically approved.

MS. BALDWIN-JOHNSON replies that the commitment to the Municipality was three years, and they agreed to bring it back and review that every year with trustees.

A discussion ensues.

MR. PAGE asks for any other questions on this section.

*There being no objection, the motion is approved.*

MR. PAGE moves on to beneficiary employment and engagement focus area.

TRUSTEE SELBY makes a motion that the Full Board of Trustees appropriate \$2,055,000 in MHTAAR and Authority Grants for the beneficiary employment and engagement focus area during FY2019, consisting of \$250,000 in MHTAAR and \$1,805,000 in Authority Grants.

TRUSTEE COOKE seconds.

MR. PAGE asks for any questions or requests for change.

*There being no objection, the motion is approved.*

MR. PAGE moves to substance abuse prevention and treatment.

TRUSTEE SELBY makes a motion that the Full Board of Trustees appropriate \$270,000 in MHTAAR and Authority Grants for the substance abuse prevention and treatment focus area during FY2019, consisting of zero MHTAAR and \$270,000 Authority Grants.

TRUSTEE COOKE seconds.

*There being no objection, the motion is approved.*

MR. PAGE turns to disability justice focus area.

TRUSTEE SELBY makes a motion that the Full Board of Trustees appropriate \$60,000 in MHTAAR and Authority Grants for the disability justice focus area during FY2019, consisting of zero MHTAAR and \$60,000 of Authority Grants.

TRUSTEE COOKE seconds.

MR. PAGE asks for any questions or proposals for change.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the Full Board of Trustees appropriate \$550,000 in MHTAAR and Authority Grants for various advisory board recommendations and capital requests during FY2019, consisting of \$550,000 in MHTAAR and zero dollars in Authority Grants. He further moves the Full Board of Trustees recommend the appropriation of \$1,750,000 of GF/MH funds for advisory board recommendations for FY2019.

TRUSTEE COOKE seconds.

MR. PAGE states that this one section covers the subject entirely. He asks for any questions or requests for change.

*There being no objection, the motion is approved.*

MR. PAGE states that the trustees want to talk about the memo regarding the possible additional funding programs or funding proposals.

TRUSTEE SELBY makes a motion that the Full Board of Trustees recommend \$400,000 of other funds for other nonfocus area allocations for FY2019.

TRUSTEE COOKE seconds.

TRUSTEE SELBY states that, at the last meeting, he asked for \$300,000, and then upped it by \$100,000 to consider that because of the Juneau discussion.

MR. WILLIAMS states that because no changes were made to the recommendation, there will be an FY19 projected unobligated funding of \$227,800. He continues that staff has to put together some potential projects that would have direct impacts on beneficiaries or systems that could be used with some additional funding outside of what is in these budget spreadsheets. He adds that there is a list of four projects identified by staff, and goes through them: Legal rights patients advocate; the Public Guardians; ISA program needs; and the behavioral health provider, HIE, health information exchange.

A discussion ensues.

MR. PAGE states that there is a motion for \$400,000 to be spent from the additional money that is available. There is no identification as to what that money would be spent on or any identification as to what part of that money would be included in the budget proposals, recommendations sent to the Governor and Legislature. There is some clarification on what this vote is for.

The discussion continues.

TRUSTEE SELBY asks how much is needed for the guardian.

MR. WILLIAMS replies that it would be \$86,000 for one full-time guardian, which is at the high end. He adds, that is if the trustees decided that they want to direct the Office of Public Advocacy to have a public guardian in Bethel. The low number is \$57,800 for a guardian in either Palmer or Kenai. He states that the board does want to fund a public guardian in FY19 through the Office of Public Advocacy. Next, is there a preference as to where that guardian is placed. The cost for that position will depend on what community is chosen. He continues that his recommendation is Bethel, which has never had a public guardian.

TRUSTEE SELBY makes a motion to amend the motion on the floor to reduce the amount of funding from \$400,000 which is in the current motion, to \$86,000 in the Office of Public Advocacy, at a place to be determined by the staff.

TRUSTEE DERR seconds.

*There being no objection, the motion is approved.*

MR. PAGE asks where this will show up in the spreadsheet.

MR. WILLIAMS recommends putting it in disability justice, above disability justice administrative costs.

TRUSTEE SELBY makes a motion to reconsider the previous motion.

TRUSTEE DERR seconds.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion to amend the previous motion by adding that it be designated to the disability justice budget for the amount of \$86,700.

*There being no objection, the motion is approved.*

CHAIR MICHAEL states that she would like to make another motion.

CHAIR MICHAEL makes a motion to include \$100,000 in the FY19 Trust budget under Authority Grants for individual service program needs.

TRUSTEE SELBY point of order. The chair cannot make a motion.

CHAIR MICHAEL withdraws the motion.

TRUSTEE SELBY makes a motion to bring the suspended motion, No. 1, back on the table.

TRUSTEE DERR seconds.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion to amend the \$29,578,700 to \$29,437,575.

TRUSTEE DERR seconds.

*There being no objection, the motion is approved.*

MR. PAGE states that is everything that was needed to be done.

MR. WILLIAMS asks for the overall final summary motion that includes MHTAAR, the Authority Grants, and other fund.

TRUSTEE SELBY states that first there is a need to reconsider the previous motion because motion 1 is not the same number.

TRUSTEE SELBY makes a motion to reconsider the previous motion, because Motion 1 is not the same number.

TRUSTEE EASLEY seconds.

A discussion ensues.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the Full Board of Trustees appropriate \$29,437,575 in MHTAAR, MHT admin, and Authority Grants for FY2019, consisting of \$19,542,075 MHTAAR and MHT admin, and \$5,200,000 of GF/MH funds, and \$8,100,000 of other funds for FY2019.

TRUSTEE EASLEY seconds.

*There being no objection, the motion is approved.*

MR. PAGE states that there is a budget.

MR. MENEFEE states that there was a question that was raised by the Administration about reducing both the Trust Authority and the Trust Land Office budget by 5 percent from the fiscal

year '18 management plan. He asks how to direct staff in how to respond back to the respective agencies.

CHAIR MICHAEL replies that if the other trustees agree, she proposes that Mr. Menefee and Mr. Williams work together on a letter to the Administration, preferably to the Governor, and cc both commissioners that would, in summary, state that a budget has been approved without a 5-percent reduction. These funds are needed in order to do the work we do. These are challenging times, and the goal is to generate as much revenue for the beneficiaries as possible. She continues that they honor that these funds are not part of the General Fund, but are Trust funds dedicated for the purpose of serving beneficiaries. She adds to ultimately let them know that their consent would be appreciated for this request to not reduce the budget by 5 percent.

TRUSTEE SELBY makes a motion that the Full Board approve that position.

TRUSTEE DERR seconds.

TRUSTEE SMITH states that he is supportive of this direction, but would like to understand the rationale for that request.

*There being no objection, the motion is approved.*

MR. WILLIAMS asks if the trustees are directing staff to work the other items in the memo fuller and come back with full proposals for each.

TRUSTEE DERR makes a motion that staff come back with recommendations for FY18 budget items for patient advocate, individual service program needs, and behavioral health provider incentive funds.

TRUSTEE SELBY seconds.

*There being no objection, the motion is approved.*

TRUSTEE DERR makes a motion that the board go into executive session to consider applications, CEO applications, received to date that by law are not subject to public disclosure.

TRUSTEE COOKE seconds.

*There being no objection, the motion is approved.*

CHAIR MICHAEL thanks Mr. Page for being here.

(Executive session from 5:07 p.m. until 6:09 p.m.)

(Alaska Mental Health Trust Authority Full Board meeting adjourned at 6:09 p.m.)

ALASKA MENTAL HEALTH TRUST AUTHORITY

FULL BOARD OF TRUSTEES MEETING

September 7, 2017

9:00 a.m.

Taken at:

3745 Community Park Loop, Suite 120  
Anchorage, Alaska

**OFFICIAL MINUTES**

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Trustees present:

Mary Jane Michael, Chair

Carlton Smith

Paula Easley

Laraine Derr

Jerome Selby

Christopher Cooke

Trust staff present:

Steve Williams

Miri Smith-Coolidge

Heidi Wailand

Carley Lawrence

Luke Lind

Michael Baldwin

Carrie Predeger

Katie Baldwin-Johnson

Valette Keller

Trust Land Office:

Wyn Menefee

Sarah Morrison

Katie Vachris

Others Participating:

Angela Rodell; Amanda Lofgren; Denise Daniello; Pat Sidmore; Patrick Reinhart; Michael Bailey; Randy Zarnke; Dave Brown; Dave Talerico (via telephone); Nate Boltz; Dave Hart; Kathy Craft; Lisa Cauble; Gloria Burnett; Esther Seo; Trevor Pierce (via telephone); Mike Sanders; Rorie Watt; Valerie Davidson; Randall Burns; Nancy Burke; Sarah Gillespie; Michelle Brown; Clare Sullivan (via telephone); Laura Brooks; Akiva Lieberman; Adam Rutherford; April Wilkerson; Kristin Vandergriff.

## PROCEEDINGS

### CALL TO ORDER

CHAIR MICHAEL calls the meeting to order and asks for any announcements. There being none, she goes into nominations. She states that this is the time of year when board elections are held. There are six members, with two openings this year. She continues that there is a recruitment effort underway to fill Russ Webb's position. He has resigned from the board effective today, September 7, 2017. She continues that Paula Easley's term will end next year in March, and it is not too early to start because the process of recruitment and interviews takes a while. She states that there is a need for two trustees, one to fill the vacant position between now and the end of Mr. Webb's term, which would have also expired in March. She asks for any questions.

MR. WILLIAMS clarifies that, because Mr. Webb resigned before his official term expired, the Governor's office is probably actively pursuing an interim seat and will appoint someone. He states that Trustee Easley is ending her second five-year term, and Mr. Webb's would have been up for reappointment. He states that the person appointed as the interim is not precluded from applying to fill one of those seats.

CHAIR MICHAEL asks for any nominations from the floor.

TRUSTEE SELBY nominates Mary Jane Michael for chairperson.

TRUSTEE DERR seconds.

TRUSTEE COOKE moves that nominations be closed.

TRUSTEE SELBY seconds.

*There being no objection, the motion is approved.*

TRUSTEE EASLEY nominates Chris Cooke as vice chair, and Laraine Derr as secretary. She asks for unanimous consent.

TRUSTEE DERR seconds.

*There being no objection, the motion is approved.*

CHAIR MICHAEL states that there are new board officers, and committee chairs will probably be announced this afternoon. She moves to a staff update report.

## STAFF REPORT

### CEO UPDATE

MR. WILLIAMS states that staff capacity has been stretched thin for the past several months, which has resulted in reduced ability to actively engage with various partners, work groups, and communities. He continues that Andrew Stem is coming onboard as CFO on Monday, and will be here tomorrow to meet all. He adds that staff has been working on interviews for program officers' positions. That process has been completed, and those positions should be filled shortly. He states that staff has been focused internally on making sure that core operations are functioning the way they should be. He adds that the governance documents will be reviewed tomorrow. He states that trustee applications have been received, and a recruitment has started.

MS. KELLER states that three more applicants from Boards and Commissions were received yesterday. More may continue to come in for a little while. The formal deadline was last Friday, and a meeting with the panel members next week is scheduled to discuss that schedule to see if the recruitment period will be extended now that there is additional time.

MR. WILLIAMS states that the panel is made up of a trustee, with representatives from each of the four advisory boards, and a representative from the Alaska Native Health Board. He explains, that is the panel that goes through the process of reviewing the applications, doing the interviews, and submitting a collective letter to the Governor's office with their recommendations.

MR. COOKE encourages, if applications are still being received, for all who are interested in the Trust and its mission to think about those that might be good potential board members, and get those in right away.

MR. WILLIAMS moves to the legislative audit. He states that inquiries are still being received from the folks that are conducting this audit, and we are working with the attorney to review the requests and be responsive. He continues that Liz Hodes is working with staff, but does not have any additional information on where the Trust stands. He states that the external financial audit, which is done by the Trust every year, is ready to get started.

TRUSTEE SELBY asks if the State has given any indication of a time frame for giving a preliminary report for the audit.

MR. WILLIAMS replies that the November time frame is what is being looked at, and he has not received any communication to indicate otherwise. He states that there is a health reform conference in Anchorage at the Dena'ina Center and extends the invitation to any trustees that may be interested, adding that he has complimentary tickets. He moves to the programmatic side and states that the Trust continues to work with the Department and AeHN to build their capacity. He continues that hired is an interim director, Laura Young; a program director, Bill Kurch; and a data quality manager, Celesta Cusick. They are integral in creating the system so that health information can be exchanged through various providers and hospitals. This will be key for beneficiaries down the line.

CHAIR MICHAEL states that there was a request to complement this project by helping onboard providers to get into the system, which has been one of the biggest challenges.

TRUSTEE EASLEY asks if it would be helpful to have the Health Information Exchange person talk to the Planning Committee.

MS. WAILAND replies that would be great, and notes that at the state of reform on October 3, there is going to be a panel on the future of health information exchange in Alaska. The interim executive director for AeHN, who has extensive experience onboarding behavioral health providers in Arizona, will be on the panel. She adds that it will be an interesting forum. She continues that if a presentation directly to the Planning Committee is wanted, she would coordinate it.

MR. WILLIAMS moves on to the grants administration and evaluation. Staff is currently putting out the FY18 grant agreements with the State entities that are receiving grant funding and are also receiving FY17 grant reports. Those will be analyzed, and that information will be put into a report that trustees will receive at the January board meeting. He states, again, that the FY19 budget that was approved yesterday is the compilation of work done in partnership and collaboration with folks that are working in the best interest of the beneficiaries. He reads a letter from Dr. Zink, the medical director for the emergency room at Mat-Su, about a situation involving a beneficiary and calling State Troopers for help. She wrote about the way the troopers communicated with the patient, who responded very well, and eventually the patient cooperated. She said that the trooper attributed training from the Trust that made an impact and changed the way he communicated with especially patients with behavioral health issues. He turns it over to Katie Baldwin-Johnson.

MS. BALDWIN-JOHNSON adds that the Alaska Training Cooperative has been a big part of that training. An update on the CHOICES facility on 6<sup>th</sup> Avenue is that due diligence was engaged and space planning to look at the needs, and the conclusion is that the space will not work. She states that Aaron has continued to look for available properties, and found a few with potential. She talks about visiting in King County, Washington, and looking at the high-utilizer project that has been implemented in their hospitals.

TRUSTEE COOKE asks about the 6<sup>th</sup> Avenue property, and if the building was bought.

MR. MENELEE replies that a purchase/sale agreement was entered into that allowed a due-diligence period, in which time an architect and space design planner was hired. After the full evaluation, it was determined that it was not the appropriate building to house both entities. He states that at that point the purchase/sale agreement was exited because it would not fulfill what was needed.

A short discussion ensued.

CHAIR MICHAEL recognizes Wyn Menefee.

MR. MENELEE begins by asking Sarah Morrison to introduce the new employee.

MS. MORRISON introduces Katie Vachris, the new business analyst.

MR. MENEFEE reports that the C2 in the Subport of Juneau, the triangle piece, was sold for \$1.3 million. The sale went through, and those folks are on their way to figuring how soon they can build. He moves to a quick update on C1, which is the homeless camp area, and states that there has been a successful outcome to the homeless camp situation. He continues that he worked closely with Trust Authority staff and with many partners. The point is that there were about 14 folks living in a very small area along the water and completely trashing the area. They had also built a four-walled structure that had a lock on the door and chairs inside. It was time to move them on their way. There was continual outreach leading up to a pre-prescribed date, last Tuesday, for eviction. Organizations were worked with to make a smooth transition to get the people to voluntarily leave, which they did.

MR. WILLIAMS went into more detail of how this came to fruition.

MR. MENEFEE states that this situation is not unique to Trust lands. There is trespass throughout Trust lands, and it is something that has to be addressed throughout the state.

TRUSTEE COOKE asks about the odd communication from the City and Borough of Juneau that came in on September 1, which tries to instruct the Trust on what our job is.

MR. WILLIAMS replies that C1, the remaining parcel, has received several offers and interest on the parcel. He states that when any sale to an individual or company that was noncompetitive, a premium is charged on top, and one of the offers, which was referred to in the letter, was someone that was offering to pay over fair-market value, which would be appropriate if we were negotiating on that. The city manager stated that he was going to fight very hard for getting the sale to go through because it will benefit the city with an alternative interest of getting a commitment for a harbor. He continues that he is solely looking at the Trust interests, and if the city benefits, that is wonderful, but it is not the driving factor.

TRUSTEE COOKE asks if a specific recommendation will be brought before the board.

MR. MENEFEE replies that the evaluation is still being done, and it is all within the purview of what was already consulted with the board.

TRUSTEE SELBY requests that Mr. Menefee keep the Board advised. He states that it is important to show sensitivity to communities and adjacent landowners that have some interest or concern about the land and show that the Trust can be good citizens. He also encourages the use of the PR folks to make sure that this sensitive issue is addressed to make it work as smoothly as possible.

CHAIR MICHAEL comments that these stories are good examples to use before the Legislature. She states that they are perfect examples of where the goals of generating revenue for beneficiaries and community goals can be better served if the Trust has more flexibility and has the ability to work toward those ends.

TRUSTEE SMITH states that he wants to make sure, once the financial analysis is done, to hold or to sell, that the trustees are conversed in how that analysis is accomplished.

MR. MENEFEE continues that the statewide land sale was announced on September 1, and there will be more PR on that. He states that 63 parcels were offered, and good results are expected. Icy Cape was a successful season with the field operations. A lot of samples were put on the barge, and the initial results look good. He states that he recently found that the Division of Military Veterans Affairs got clearance from the Legislature to sell land that they have in Fairbanks. The critical part of this is that they wanted to potentially purchase land from the Trust for a veterans' cemetery, but did not have the money. He continues that they had some other land, but did not have permission to sell. If they now have permission and are able to sell it, then there might be money to purchase Trust land. He moves on and states that they were approached by the Great Land Trust on behalf of the Exxon Valdez Oil Spill Trustees to look at purchasing land at Sharatin Bay by Kodiak. There is a fairly large parcel there as part of their habitat acquisition program, and he is heading out at the end of the month to evaluate that land. He states that Homer was met with about the aspect of the three parcels owned by the Trust on Homer Split. Homer did not agree at this point with the current administration that the Trust owns it, and there had been some further negotiations there. A possible solution is being worked toward; and we are working with Department of Law and progressing to see if there is an acceptable solution short of having to go the legal route on defending that land. He states that the Trust Land office is very busy with the legislative budget and audit. A lot of time is spent either responding or preparing responses; and then, secondly, with the annual audit. He clarifies about the trapping issue that was discussed in the public comment. There is a policy on Trust lands about how the public can use the Trust lands without authorization, which is very limited. It is without motorized equipment; no overnight activities; materials cannot be left on the land. We remain consistent to that. Then, uses that are appropriate will be authorized as needed. He states that there is the cost of creating a general permit and a cost of administering a program like that. Staff is talking about taking that into evaluation to see if there is a way that can be addressed. He continues that there is a fairly liberal aspect of allowing the public to get on there during the day and go out and about and use the Trust land, because there is no impact if it is done the way it is authorized in policy. He adds that there was a statement about how trappers and hunters are treated differently, and we are considering doing special hunting privileges and charging people for that. He moves to the land exchange and states that work has been continuous, and the survey is being conducted at Naukati. There are some high appraisal costs, and we are also evaluating surveys that have to be done on Trust parcels. Because of some of the information, the cost of the survey is a bit higher than expected. He adds that we are still within the budget, but we expect to have to ask for some more money to complete the project.

TRUSTEE DERR comments that Mike Barton, former Chair of the trustees, was the head of the Forest Service for a while and is willing to work with the Trust in working with the Forest Service, if needed.

A short question-and-answer period ensues.

MR. MENEFEE concludes his report.

TRUSTEE SELBY commends both the staff at the program office and the land office for doing some excellent work in all of the things reported today, as well as preparing the budget and working with the advisory boards and others. He states that there are a lot of folks involved in getting that, and they have done an excellent job. He appreciates all the work that is done on a daily basis, as well.

CHAIR MICHAEL states that next on the agenda is to review the FY18 partnerships and focus area allocation approvals.

### **FY18 PARTNERSHIPS AND FOCUS AREA ALLOCATION APPROVALS**

MR. WILLIAMS states that these were not taken up at the Finance Committee in August, which is where they would typically be handled. He continues that the first is the Alaska Center for Development and Behavioral Pediatrics.

TRUSTEE SELBY makes a motion that the board approve a \$50,000 FY18 partnership grant for Ptarmigan Pediatrics for the Alaska Center for Development and Behavioral Pediatrics project.

TRUSTEE DERR seconds.

MS. BALDWIN-JOHNSON states that this is a request for Ptarmigan Connections which is a neurodevelopmental pediatric clinic in the Mat-Su Valley. They have been working in partnership with Mat-Su Health Foundation and others as part of attempting to address the gaps in the continuum of care, and a medical clinic serving medically fragile and high needs special needs children has been something that has been missing. They stepped up and developed this service. Provided will be early screening, assessment, referral, early intervention, infant learning kinds of services to attempt to improve the outcomes for the children with either behavioral issues or developmental challenges. This funding will go specifically to support the purchase of their testing, psychological testing, supplies, speech and language supplies, materials that would be used in group therapy, and with parent education classes. She highlights that the estimate is 300 beneficiaries.

A brief discussion ensues.

CHAIR MICHAEL asks for any objections.

*There being no objection, the motion is approved.*

CHAIR MICHAEL moves to the second item.

TRUSTEE DERR makes a motion to approve a \$111,300 FY18 partnership grant to the City of Fairbanks for the Fairbanks Homeless and Housing Services Coordinator.

TRUSTEE SELBY seconds.

MS. BALDWIN-JOHNSON states that Mike Sanders with the City of Fairbanks is on-line in the event there are any questions. She continues that this proposal is to fund the second year of the

housing coordinator position with the City of Fairbanks, which is similar to what was done in Anchorage. The Trust has an MOA with the City of Fairbanks. The focus of this is to coordinate housing and homeless services to organize the community to reduce the number of homeless individuals in Fairbanks. She asks for any questions.

TRUSTEE SMITH asks how she sees these coordinators working together, sharing information, and talking about planning for the future, and if these coordinators will develop as a group.

MS. BALDWIN-JOHNSON replies that there is a statewide homeless coalition with the intention to organize homeless intervention, prevention, and services to come up with a plan that can be implemented across communities in Alaska.

CHAIR MICHAEL states that she was involved with Anchorage, and one of her goals was to get local government, specifically mayors, to make homelessness one of their highest priorities, and to give them a tool in their toolbox to make some things happen.

MS. LOFGREN states that it is a great project, and that through the Governor's Council to End Homelessness, the Governor's office has been pulling together the local community coordinators, as well as other stakeholders, to make sure that the information-sharing happens back and forth. She continues that the team is doing a lot of work in Fairbanks to put together a significant effort around strategic planning, and putting together the community's plan. She adds that she thinks there is a lot of collaboration and continued collaboration that can happen there.

TRUSTEE COOKE asks if there is any sort of evaluation or review of what happened during the first year of this project.

MS. BALDWIN-JOHNSON replies that a report is submitted on the performance for the year. She continues that, through the grants team, the information would be provided in terms of performance on this particular project.

MS. LOFGREN states that this was modeled off each other, so that the Anchorage framework for what is being evaluated is similar to Fairbanks, so that there is consistency in how success is being measured.

CHAIR MICHAEL suggests having them come to a planning meeting to make a presentation.

A discussion ensues on the issues of what is needed in the presentation.

MS. BALDWIN-JOHNSON states that the Fairbanks report is due at the end of October, and will be shared with the Trust.

MR. SANDERS states that he can speak about his position and what has been done in the past six months.

CHAIR MICHAEL asks him to take a few minutes.

MR. SANDERS states that one of the first things he did was to try to get the local homeless coalition going again. A coalition structure was put in place and did the strategic plan for the first year. He continues that the strategic plan is working pretty well so far. There were a few lengthy committee sessions to get going. He adds that data-sharing was established, an MOA between the agencies in Fairbanks, to establish the coordinated entry system, and to get it up and going on time. The MOA was done prior to the COC grant application, which was a requirement. He adds that preparation is going on for the Fairbanks Symposium on Homelessness on December 6. He states that the plan with that is to implement the Alaska Supportive Housing Plan. There is another project, Homeless Connect, in January. He adds that all are working together, including the Governor's office and Bryan Wilson from the state coalition.

CHAIR MICHAEL thanks Mr. Sanders, and she states that there is a motion on the floor, and asks for any objections.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the board approve a \$100,000 FY18 partnership grant request to the City and Borough of Juneau for the Housing and Homelessness Services Coordinator.

TRUSTEE COOKE seconds.

MS. BALDWIN-JOHNSON states that the focus of this position is to assist the community in organizing and getting services around coordinated entry, the data that needs to be tracked, prioritizing services to ensure that shelter and housing is prioritized for the most vulnerable of the homeless individuals in Juneau. The challenges in Juneau are that shelters are over capacity or low-barrier access shelters so that there are a number of homeless individuals in Juneau that the shelters are not able to serve or are not currently serving. Other challenges are cold-weather shelter is something that needs to be addressed. Last winter was a challenging winter for the community, and for the homeless individuals in the community. She continues that this individual is going to work in tandem with the City and the other services to try to organize and address the gaps existing in the community.

A brief discussion ensues on the funding and the budget, which is explained.

MR. WATT states that he is city manager for Juneau and explains that an assembly-appointed task force has been meeting and looking at funding requests from the local coalition on housing and homelessness. He continues that the coalition has requested consideration of funding for an outreach team, scattered site housing, and warming center, which total about \$450,000. He adds that he would be happy to give more information and answer questions.

CHAIR MICHAEL asks about the mayor's highest priorities for Juneau.

MR. WATT replies that there are a lot of priorities. At the last goal-setting, housing was established as one of the highest priorities, and a housing action plan was adopted. The homelessness issues are a subset of that.

A short discussion ensues.

TRUSTEE DERR states that Juneau's government has a stronger manager, weaker mayor. No one works for the mayor; he is just simply one member of the assembly that leads the assembly. It is a difference in the governmental structures.

CHAIR MICHAEL states that there is a motion and second on the floor, and asks for any objections.

*There being no objection, the motion is approved.*

TRUSTEE DERR makes a motion to approve a \$150,000 FY18 Housing and Long-Term Services and Support focus area allocation to the Kenai Peninsula Independent Living Center for the Home- and Community-Based Services Flex Funds project.

TRUSTEE SELBY seconds.

MS. BALDWIN-JOHNSON states that this is the focus area allocations out of the housing and long-term services and supports focus area. These funds would go to the Kenai Peninsula Independent Living Center who would be the fiscal agent and manager of the funds. The intention of these funds is to work with seven to ten Trust beneficiaries that are either transitioning out of API or out of other institutional care back to their communities of origin. The providers that are working with these individuals will try to establish the best, successful transition.

TRUSTEE COOKE asks how this works with getting the people back to their communities of origin.

MS. LOFGREN replies that the Kenai Peninsula Independent Living Center is also an aging and disability resource center that covers the Kenai Peninsula, Valdez, Cordova, Kodiak, and Fairbanks under their current capacity as aging disability resource centers. The pilot this first year would be targeting beneficiaries in those areas, working out a process that is more streamlined, more efficient, and then go statewide next year.

CHAIR MICHAEL asks for any further discussion. She states that there is a motion on the floor with a second, and asks for any objections.

*There being no objection, the motion is approved.*

TRUSTEE COOKE asks if the Ptarmigan Consulting, LLC, or any medical-type provider that the Trust might be making a grant to, is participating in the health information network. And, if not, could something be done to encourage that.

CHAIR MICHAEL thanks Trustee Cooke for that question, and states that concludes that section of the agenda. She moves to the statutory advisory update, and states that Commissioner Valerie Davidson is here.

## STATUTORY ADVISORY UPDATE

COMMISSIONER DAVIDSON states that she is the commissioner of the Department of Health and Social Services. She introduces Monique Martin, the healthcare policy advisor, and Randall Burns, director. She continues that the Trust Authority and the Department of Health and Social Services have developed an incredible partnership moving forward. She explains that she will highlight four critical areas: The budget; healthcare legislation; Medicaid reform; and the opioid strategy. When the new administration came in, there was a \$4.5 billion budget deficit; and right after that, the price of oil plummeted. Collectively, cuts had to be made to the budget to be able to live within our means. She states that this was a challenging, heartbreaking process, and we have tried to minimize the impact to Alaskans as much as possible. She continues that the Department has sustained over \$210 million in cuts in General Fund since 2015. She adds that much of the money is programmatic funding, which is formula- and grant-based. One issue is the significant backlog in the processing of applications in the Division of Public Assistance. She explains that there is a recurring cut since fiscal year 2015, which leaves \$1.5 million behind in positions. There are about 26 positions involved. That situation is not going to change unless there are additional positions to work that backlog. She adds that the Legislature did provide some flexibility in funding in that if we realize savings somewhere else in the budget, those savings can be used for additional help. She states that an indication about the state of the economy and the need for a sound fiscal plan is that one in four Alaskans is eligible for Medicaid. The good things about the Medicaid expansion is the minute it was expanded, and providers began to bill for those services, claims began to be paid. That economic benefit went to every single community in which healthcare was provided. She continues that this expansion has been the No.1 opportunity to be able to leverage the resources for Medicaid reform, along with the resources provided by the Trust, and has also been the No.1 opportunity to address the opioid crisis. Some of the other things happening is that a part of Senate Bill 74 required a healthcare authority study to be conducted. The Department of Administration recently did that and released four reports, including one on Medicaid. She encourages the trustees to read those reports, especially the one on Medicaid, which will impact all of the beneficiaries. She continues that updates to the ListServ will be provided periodically, and talks about the 1115 waiver. She states that this summer was eventful with the federal healthcare legislation that was before Congress. Various bills were looked through, analyzing the impacts to Alaska, and they also were focused on the Medicaid issues. She explains what was being proposed and how it would affect Alaskans. She states that the Governor was one of eight bipartisan governors that signed on to a letter for ways to be able to shore up the marketplace plans. He is also working with other governors on ways to deliver a bipartisan Medicaid reform proposal. She states that she attended a Western Governors Association Conference and was asked why there is so much talk about opioids. Her co-panelists gave wonderful scientific answers and were fabulous. Her response was that heroin has been around a long time. The problem was not addressed in the disadvantaged communities, and it has now grown into the better neighborhoods, which is why there is more coverage. She continues that one of the governors was quite offended by that comment, which highlights another issue. Her point was to illustrate the lesson that there are public health issues that arise in socioeconomically disadvantaged and minority communities that should be addressed immediately before it spreads to other communities. She adds that a helpful public health message is that sometimes early interventions save a lot of angst later. She goes through a number of strategies, beginning with the Legislature passing Senate Bill 23 which

provides the authority for the chief medical officer for the next five years to prescribe naloxone to save people from overdosing. She adds that over 6,000 kits have been distributed. The other thing that the Governor did is House Bill 159, which provides several strategies. The law provides for an individual to do an advance opioid directive that is put in their record stating that they do not want opioids. It also limits first-time opioid prescription for up to seven days. She explains some of the exceptions. She states that it has been an incredible partnership with the Trust, and the resources provided to make all of the Medicaid reform things happen could not have been done without the Trust support. She thanks all.

CHAIR MICHAEL asks the trustees for any questions.

TRUSTEE EASLEY asks about the heroin works; if there is an emergency, how does the naloxone get to the person who is overdosing.

COMMISSIONER DAVIDSON replies that the naloxone distribution kits are being distributed to everyday Alaskans. She states that EMTs and the police departments are carrying it, as well as some of the coalitions that are in communities. She continues that some people think that using the kits enables bad behavior. She stated her opinion is that the folks cannot recover if they are dead.

TRUSTEE COOKE thanks the Commissioner for the presentation, stating that her knowledge and detail is amazing. He asks if there are things that can be done through, for example, the Medicaid program, to limit the dispensing of opioids and the reimbursement, or to catch situations where there are a large number of pills being prescribed.

COMMISSIONER DAVIDSON replies that Medicaid does pay for medically necessary prescriptions. One of the things that will help is the limit of seven-day prescriptions, which will give the position of questioning that provider's medical judgment. She adds that this law also affects private insurance. She states that the other thing is for the prescription drug monitoring program. The provider is required to register under the prescription drug monitoring program, and the pharmacist also has to submit reports to the Board of Pharmacy.

TRUSTEE SMITH asks what are the best initiatives coming on-line to improve awareness of the problem.

COMMISSIONER DAVIDSON replies that it has been state governmentwide. The Department of Education and Early Learning now has curriculum about opioids that are age-specific, whether they are early childhood, whether they are older kids in elementary school, junior high or high school.

CHAIR MICHAEL asks for any other questions. There being none, she thanks Commissioner Davidson and her staff for an incredible job, and breaks for lunch.

(Lunch break.)

CHAIR MICHAEL asks Randall Burns to give an update on API.

MR. BURNS states that he is the director of the Division of Behavioral Health and begins with the API. Mat-Su has become the largest source of admissions to API, exceeding Anchorage. He continues that the problem, as it is for most of the admissions issues, is that there are patients that cannot be discharged because there is no placement for them. Then the other group is discharged too quickly, in most people's opinions, and then are returning. He adds that the longer term has no place to go; shorter term has no place to go, but they can be discharged and then cycle back. It is not a functional situation at this time. He states that the pressure on API is that they are running 100 percent every day. There are discharging individuals that are not fully stabilized but no longer meet the criteria of being suicidal or a danger to themselves or others, or gravely disabled; which are fairly high standards. He adds that the system needs to be focused on and we are considering having a meeting with the comprehensive community behavioral health centers to talk about why there is this huge pressure on API. He continues that besides the waitlist and the admissions pressures, there is another problem: API had its Joint Commission review about a year ago, and one of the findings was that the facility no longer met the standards with respect to its bathrooms and bedrooms and, particularly, its doors. He states that new toilets need to be purchased and installed, and then all of the hardware in the bathrooms need to be changed. He adds that the new toilets, doors, and other equipment have been ordered. Once the start dates are put on the schedule, the adolescent unit will be closed. It will take three weeks to do retrofit for ten beds, and the bathrooms and the bedrooms. Once this is started, it will take six months to rotate through. He continues that they have been talking to the Pioneer Home, and they may be able to take some of the longer-term patients. He adds that it is complicated. He moves on and states that a new CEO was hired, Ron Hill, and he is doing a really good job. There is a new medical director, Dr. Anthony Blanford, who has worked in the state for many years. He talks about the certificates of need for new psychiatric beds for Mat-Su Regional and Alaska Regional. The public comment period ends next week, and then the Department has 60 days to act on the applications. One of the real issues at all the hearings related to the opioid crisis and substance abuse and the lack of withdrawal management services. Also, the housing needs do need to be funded, but this takes away from finding services for people who are seriously mentally ill. He concludes his update.

TRUSTEE EASLEY states that she does not like the idea of transferring people to the Pioneer Home, especially since there are so many people waiting to get into it. That does not seem like a solution, even a temporary one.

MR. BURNS replies that he appreciates and understands why that is not a perfect solution.

CHAIR MICHAEL thanks Mr. Burns and asks that he keeps the Trust informed. She moves to the Resource Management meeting report.

## **RESOURCE MANAGEMENT COMMITTEE REPORT**

TRUSTEE SMITH states that there is a review of several consultations that have been approved in the packet. At the end of this review, there will be one motion. He asks Mr. Menefee to continue.

MR. MENEFEE states that he does not see the need to go through all that have been approved because that is on the record. He moves to the C2 parcel at Providence Medical Park; it is called

Providence Chester Creek Subdivision. This proposal is that there is a remaining parcel that has not been leased or sold. This consultation asks for the ability to dispose that property in some size or configuration, giving the liberty to either lease it, sell it, or potentially subdivide it or whatever is necessary to make a good commercial transaction. He continues that they would like to have this done in advance to give the flexibility to be commercially responsive to offers in a reasonable time. He adds that there is a current offer that has been modified since the last meeting.

TRUSTEE SELBY makes a motion that the Full Board of the Trust Authority concur with the Trust Land Office recommendation for the executive director to negotiate disposal of all or part of the Trust parcel, SM-1526-01, further referred to as tract C2, or portions thereof, at the Provident Chester Creek Subdivision in Anchorage, Alaska.

TRUSTEE EASLEY seconds.

*There being no objection, the motion is approved.*

TRUSTEE SMITH thanks all.

CHAIR MICHAEL states that the next item on the agenda is Nancy Burke, the Municipality of Anchorage Housing and Homeless Services coordinator.

MS. BURKE states that they are currently working with community partners and State entities to implement a project that is a very innovative HUD program. Shortly after the Mayor came into office in 2015, an opportunity arose to participate in a social impact bond project called Pay For Success. This project is a joint DOJ and HUD-funded project that examines the overlap of people who are cycling through corrections, homelessness, and that also have a high healthcare cost association. Anchorage was one of seven communities chosen for this project. The Urban Institute is running the evaluation for the seven sites, and part of their work is to have a site visit to hear how the project is going, and to understand the process. She asks that Ms. Gillespie and Mr. Lieberman go through their work.

MR. LIEBERMAN states that he is in the Justice Policy Center of the Urban Institute; a nonprofit, nonpartisan research organization based in Washington. He continues that they are an evaluation contractor for HUD with regard to an initiative to use Pay For Success arrangements to implement permanent supported housing for the frequent utilizer population who is involved in both criminal justice, homeless shelters, and health and behavioral health services. He adds that they are in the role of a national evaluator mostly focused on the question of whether or not the Pay For Success process and requirements help the cross-sector collaboration necessary to implement these projects and what the challenges and the barriers are to using that. It is a new and innovative financing arrangement, and that is the focus.

MS. GILLESPIE begins with a snapshot of what is going on in Denver, which is relevant to what this project will be doing here. She states that Pay For Success as a financial model, supported housing is a good care because it is trying to solve the problem mainly for preventative interventions that see cost avoidance or even cost savings on the back end after years of intervention. This program is really new and, currently, there are 13 projects. Three are

permanent support housing projects. Massachusetts was the first one; then Santa Clara County in California, and then Denver, where Urban Institute is the evaluator. The other two are looking at housing stability, and if permanent supported housing can stabilize folks who are cycling in and out of various systems, and if it will stabilize them in a way to keep them in housing and reduce their involvement in other systems. She continues that there are three main stages, and Anchorage is in the feasibility stage. Then there is the structuring stage where the contract gets put together; then there is implementation where housing starts.

MS. BURKE states that this project is beginning to take form with one of the first steps that were done for the proposal which was taking a draw from the Department of Corrections of people who have had episodes of incarceration. Also, being looked at is data from Title 47 holds within the Municipality; people cycling through the sleep-off center. She continues that once the potential pool of people from those areas are known, a cross-evaluation of how many people are cycling through the homeless management information system, which has recently become more robust since January. Then, there will be police data from the camp notification process that has been going since 2010, and shelter data will be looked at. She adds that the counts will be unduplicated, and we will then find the pool of people that are being targeted. She states that once the complete process is finished, there will be the ability to run feasibility analysis to identify which points this grouping of people is hitting the system and where the costs are exceeding what the budgets allow as the best use for those services. She talks about the challenge of changing grant programs as more is being learned about evidence-based practices and the need to shift those services. She states that this project allows a financing mechanism that brings additional funders to the table that are not necessarily the usual people. She continues that it would be interesting to share this with the Trust and walk through this process, which is for all to learn the number of these folks that are behavioral health representatives and Trust beneficiaries. She adds that these are the people who are falling through the safety nets and need the type of assistance that the Division of Behavioral Health helps to make available across the state. She recognizes Melina Breland, who is now with United Way. She was formerly with Anchorage Community Mental Health Services, and led their outreach team for people with mental illness in the community. She came to the United Way to be a part of this planning process to help make improvements in the interacting of people with the police and those camp notifications.

TRUSTEE COOKE asks if any data is being compiled or information gathered that addresses the root cause of why people are homeless. Has there been anything in the design of programs to try to alleviate the situation?

MS. BURKE replies yes, and some of these were learned from the Trust's work in this area. She states that there is an overarching plan that addresses all of the services in Anchorage incorporating that first string and assessing their needs and helping them get to housing and stabilization.

A short discussion ensues.

TRUSTEE SMITH states that earlier in the year the administration called for a 13- or 14-percent cut in HUD funds. He asks if there is any danger of this program going away.

MR. LIEBERMAN replies that he does not have any information on that, but he has heard that HUD has not raised any red flags for us to date.

MS. GILLESPIE states that leadership seems to be interested in this project. It is an opportunity to bring in other money.

MR. LIEBERMAN adds that the funding for this came from the Second Chance Act and from the Department of Justice. It was transferred to HUD in a partnership.

MS. BROWN states that this is a change to propel the work in a more concerted way, and to look at alternative financing mechanisms. The financing enhances the system outcomes and is a great model that brings together a lot of the things that have been planned.

CHAIR MICHAEL thanks them for visiting and asks Mr. Baldwin if there were any additional comments. There is a one-page summary of the Planning Committee meeting. She asks if he has any updates.

MR. BALDWIN adds that Ms. Burke had provided a report for the current progress and efforts which were included in the packet. He states that the next Planning Committee meeting is October 26.

CHAIR MICHAEL states that there is time to talk about board committee chairs with the trustees. The committees are Finance, Resource Management, and Planning, and we will be adding an Audit Committee.

MR. WILLIAMS states that the Audit Committee is not a current committee under the bylaws, which will be reviewed tomorrow. He suggests just focusing on the three committees for now.

CHAIR MICHAEL asks for any volunteers.

TRUSTEE EASLEY volunteers Jerome Selby for Finance Committee.

TRUSTEE SELBY accepts the appointment.

CHAIR MICHAEL appoints Jerome Selby as the Chair of the Finance Committee.

TRUSTEE DERR volunteers Carlton Smith for the Resource Committee.

TRUSTEE SMITH accepts.

TRUSTEE DERR volunteers Chris Cooke for the Planning Committee.

TRUSTEE COOKE accepts.

CHAIR MICHAEL thanks all, and states that the committee chairs have been appointed.

TRUSTEE COOKE asks if the committees are of the whole.

CHAIR MICHAEL replies that she would say that it is a committee of the whole, and that will be discussed tomorrow. She asks if Mr. Williams has anything to talk about.

MR. WILLIAMS states that a letter was received from Kris Curtis stating that the deadline to provide information was September 6. Trustee Webb had responded via e-mail explaining the situation in terms of transitions. It is unclear as to whether the extension to September 11 was granted or not. He states that he found out during lunch that the September 11 extension would be fine. He also talks about the overall transition planning that will take place before the 31<sup>st</sup>.

A brief discussion ensues on the audit and the outstanding legal question.

TRUSTEE COOKE asks about the status of the legislative proposals dealing with the Trust Land Office and if the proposed legislation was ever finalized and submitted.

MR. WILLIAMS replies that there was a draft piece of legislation that had to do with recommendations on how the statute could be changed, and that is where it currently stands.

A brief discussion ensues.

CHAIR MICHAEL calls a five-minute break.

(Break.)

CHAIR MICHAEL calls the meeting back to order and recognizes Trustee Derr.

TRUSTEE DERR states that officers were just elected and, according to the bylaws, do not take place until October 1. Trustee Webb's resignation is effective today, and Larry Norene was the secretary/treasurer. She continues that the Trust is now operating without a secretary/treasurer.

TRUSTEE DERR makes a motion that the current slate of officers that were just elected take effect September 8, rather than October 1, as stated in the bylaws.

TRUSTEE SELBY seconds.

*There being no objection, the motion is approved.*

## **DEPARTMENT OF CORRECTIONS**

CHAIR MICHAEL states that next on the agenda is with the Department of Corrections. She welcomes Laura Brooks, medical director; Adam Rutherford, the director for mental health services. Also on-line is Deputy Commissioner Clare Sullivan and April Wilkerson, the director of administrative services.

DEPUTY COMMISSIONER SULLIVAN thanks all for the invite and expresses the commissioner's apology for not being here; he had a prior commitment. She thanks the Trust for supporting the DOC over the years, which is invaluable. She states that the DOC is the largest

provider of behavioral health services in the state, with an average of about 4200 folks in facilities, and about the same on the outside. That is quite a few people in need of services; and about 55 percent of the population are mental health Trust beneficiaries. She continues that the Department's medical and behavioral folks have studied and provided the information that shows the need to recognize the growing complexities of the mental health population due to the opioid and other drug abuse that is not only rampant on the streets, but is also making its way into the Bush, as well as the facilities. She adds that there are about 300 mental health beds in our facilities statewide, and about 58 of them are for women, mostly at Hiland; 18 for the most mentally ill females. Those beds are at a premium, and only the most severe get most of the attention. She states that she is fairly new to this level of corrections. She spent most of her time in Spring Creek Correctional Center, and can only speak to Spring Creek at this point. She states that Spring Creek has a subacute mod for those that are stabilized at mike mod, and she believes that the offenders are cared for pretty well. It is challenging to keep up with the needs of this population, which can be problematic for the correctional and mental health staff. There are periodic tragedies. A few weeks ago, one of the long-term, well-liked offenders committed suicide, which took a toll on everyone. She continues that there are other beneficiaries that are in general population, and they receive services by other clinicians. She adds that some significant strides were made with the limited resources that are really helping this population. There are transitional cells that allow a prisoner who remains in echo mod to transition out of segregation, or whatever challenges they have, to go back into their own mod. These cells not only allow them to be segregated in the mental health mod and receive treatment, but each of these cells has an enclosure outside the cell that will permit the prisoner to step out of the cell and interact with staff and other prisoners and still maintain separation. This gives more direct contact with staff who can help them, along with the other offenders in the mod, that are a great aid in transitioning folks back to GP. She thanks all.

CHAIR MICHAEL thanks the Deputy Commissioner for the overview, which is much appreciated.

MR. RUTHERFORD asks for any questions over any of the information that the Deputy Commissioner offered. There being none, he moves on and states that one of the big pushes within all correctional facilities nationwide is to decrease the number of offenders that are housed in segregation, and specifically the mentally ill offenders. He continues and explains the use of the green rooms and how the beneficiaries have an opportunity to choose whatever tranquility scene to give them a break from being housed in a cell 23 out of 24 hours a day. He is also proud of the use of those transition cells within the subacute mental health units. That allows an opportunity to pull some of the severe and persistent mentally ill folks out of segregation and place them in a treatment unit. He explains this in greater detail and then talks about the substance abuse detox protocols that have dedicated resources, dedicated staffing, and have a space this is allocated to monitor and transition folks. They have also partnered with community agencies for the folks that are on methadone, to have those agencies come into the facilities and transition those folks. He goes through some of the services that are available to both the men and women, and the effectiveness of the services. He states that the APIC model is nationally recognized as the best practice for intervention with folks with mental illness. He continues that this was the first time that APIC funds and services were used to help some of the folks that have primarily substance abuse diagnoses transition out, which has been very successful. Some of the challenges that have been faced was that an RFP was put out for Spring

Creek Correctional Center that got no response. There were no agencies in the area, and they were not able to recruit anyone. He states that the current RFPs are one at Anvil Mountain Correctional Center, which is providing psych ed services, screening services, evaluations; and then there is the Medicaid Assistant Treatment Re-entry program at that facility, as well. In July a contract was awarded to CICADA in Kenai to provide residential substance abuse services at Wildwood Correctional Center, and they will also be providing psych ed services in the pretrial screening evaluations, as well as the MATR program. He continues that the last RFP asked for best and final, and those were received yesterday. It is for the Anchorage Bowl area that will cover the Goose Creek facility and the Hiland Mountain facility. In addition, there is a dual-diagnosis position that is a long-term, nonperm at Hiland Mountain. There is also a full-time position at the Anchorage Correctional Complex that is just focused on the opioid epidemic. He talks about having the greatest impact possible in addressing the substance abuse services and needs. He states that the female population is the fastest-growing population.

TRUSTEE COOKE asks how the people in the prison system are being diagnosed with severe mental illness, and who diagnoses them.

MR. RUTHERFORD replies that when people come into the system a brief screen is done that initially identifies the majority of the folks that have a mental illness, in terms of referral need to mental health. That individual is assessed, and then the clinician can render the diagnosis, or the person may be referred to a psychiatrist for a diagnosis and if additional services are needed. He states that outside records for previous treatment providers are also looked at. He continues that thanks to the Trust they have an Anchorage Community Mental Health employee that is working in the booking facility which allows immediate access to the records of any individual that may have sought services at Anchorage Community Mental Health. This is a benefit in terms of identifying folks.

TRUSTEE COOKE asks when a person is diagnosed with a mental illness, how it is determined that segregation is appropriate for that person.

MR. RUTHERFORD replies that a person diagnosed with a severe and persistent mental illness would only be segregated if there is a risk of harming themselves or someone else. The goal is to place them in the least restrictive environment.

TRUSTEE COOKE asks if there is a prevalence of mental illness among the prisoner population similar in the contract facilities, the private correction facilities in which Alaskans are housed.

MR. RUTHERFORD replies that Alaskans are no longer housed in contract facilities. They are all in-state.

TRUSTEE SMITH asks if a mental health unit at Hiland Mountain can be described.

MS. BROOKS states that there is a high number of Trust beneficiaries in the system, and jails and prisons were never designed to be mental health treatment facilities. The existing acute unit at Hiland Mountain was designed and looks a lot different from facilities that are being built now. She states that it served its purpose, but now the substance abuse has put the whole system on its ear trying to figure out how to deal with the prison population, the mentally ill in the

system, and the poly-substance-abusing mentally ill offender. One of the things that has become clearer is the growing women's population, and the services available to men are not available to women. There is a great disparity between the men's and women's mental health units, which she explains. She states that the unit at Hiland Mountain has 18 beds, and they are always full. There are no infirmary beds, and one exam room. Two of those cells are suicide-resistant cells with cameras; but this is the acute unit for women. A few years ago, the Trust provided about a million dollars to create this mental health treatment unit for women, but it is no longer enough. She goes through the unit and its happenings in greater detail. She states that a plan to expand the mental health unit has been developed, and part of that is to really integrate medical and mental health services. She asks the Trust to consider partnering with them to work to expand services to the female population. She shares a rendering of a proposed co-located mental health and medical unit at Hiland Mountain. She goes through the proposal, explaining in detail.

CHAIR MICHAEL asks if there are any costs associated with that redesign.

MS. BROOKS replies yes, and introduces April Wilkerson, director of administrative services, who will walk through what that investment is expected to be.

MS. WILKERSON states that the estimated cost of the project is just over \$2.75 million. That is the full renovation and any unanticipated costs that may come up. She continues that they were able to identify and address any abatement or lead issues that could derail the project. There is currently invested approximately \$100,000 towards this project. That gave the design and feasibility study, which came up with the \$2.75 million cost. She adds that a plan and partnership proposal can be submitted to the Governor's office to keep this project on track and as a priority for the Department to meet this population, and is currently being pursued.

CHAIR MICHAEL asks staff if this can be part of the partnership grant, and if they can get funding from Rasmuson or other funders.

MR. WILLIAMS replies that a conversation was held about trying to figure out what opportunities can be tried to leverage some funds that might be able to assist in this effort. He states that also talked about was whether funding from an entity like Rasmuson was possible.

TRUSTEE EASLEY asks about the difference between a male infirmary bed and a female infirmary bed, and what an infirmary bed consists of.

MS. BROOKS replies that the infirmary at the Anchorage Correctional Complex for men is a medical infirmary which is very separate from the acute mental health units. The medical infirmary beds are staffed 24 hours by a medical nurse, as opposed to a psychiatric nurse. There is a general physician who does rounds on that unit every single day. There are 10 or 12 beds in that infirmary, and there is one cell down at the very end that is dedicated for women. She continues that there is no difference in the care that they receive; it is simply that there are one or two females in that cell detoxing in a men's unit, which is not good in a prison system. She adds that there is an element of human dignity around this. There is no privacy in a jail. There is a stainless-steel toilet with no curtain around it, which is a big part of the human dignity element. It is not the treatment itself.

TRUSTEE SELBY asks what the funding source for the \$1,375,000 match is.

MS. WILKERSON replies that the request would be either General Funds or General Fund/Mental Health through the Governor's office, and we are still seeking the other matching type.

A discussion with questions and answers on the details ensues.

CHAIR MICHAEL asks if there is a timeline in the project.

MS. WILKERSON responds that there is a timeline; nine to eighteen months upon receipt of the money. The hope is to have a proposal to submit forward in the Governor's budget by the end of November to make it into the Governor's budget.

CHAIR MICHAEL thanks all for what they do.

MR. RUTHERFORD extends an invitation to any of the trustees to come out and see the current mental health units and also the space that is being talked about at Hiland Mountain Correctional Center in Eagle River.

CHAIR MICHAEL calls a five-minute break.

(Break.)

CHAIR MICHAEL reconvenes the meeting and states that the next presenter is Denise Daniello, the executive director for the Alaska Commission on Aging.

#### **ALASKA COMMISSION ON AGING UPDATE**

MS. DANIELLO states that it is always a pleasure to come before the Trust to provide updates regarding budget and policy items that are of interest to senior Trust beneficiaries, and the work that is being done on behalf of all older Alaskans. She begins with a quick review on the demographic trends and health indicators to provide a backdrop about senior health needs and changes over time that will inform the advocacy efforts for the next session. She states that for the last seven years Alaska has the fastest growing senior population, people age 65 and older, in the nation.

TRUSTEE DERR asks if there will be real data this year, real numbers.

MS. DANIELLO replies that the demographics are from the Department of Labor in the State of Alaska. She states that, according to the Alaska Department of Labor for 2016, an estimated number of 125,886 seniors age 60 or older comprise about 17 percent of the state's population. The senior population is projected to increase at 135 percent over the next 20 years. This is a significant demographic trend because Alaska was always a state with young people, and now the median age is 34. That means that half of the state's population is younger than 34, and the other half is older, which is a significant demographic trend. She moves to the participation rates for the core programs and budget impacts for FY2019. She identified the participation rates in

core senior programs and the resource allocation services for some key state and federal budget and policy items that are being paid attention to affecting older Alaskans. She continues that the vast majority of seniors do not use senior services.

TRUSTEE DERR asks if this trend is seen in other states, as well.

MS. DANIELLO replies that a big concern she has heard about is that senior hunger and poverty is a real problem nationally. Many seniors are falling behind economically and are not able to afford the basics, such as heat.

TRUSTEE COOKE asks if people are using the program less, needing it less, or is the program less available because of budget cuts and service cutbacks.

MS. DANIELLO replies that there are a lot of different reasons, but we are seeing this trend that has been happening over time, and we have been compiling this information for a long time.

CHAIR MICHAEL asks about the substantial waiting list.

MS. DANIELLO replies that the inactive waitlist is huge, and the active waitlist is also huge. She states that it is due to the budget reductions. She continues, explaining as she goes along. She states that Adult Day is an important program, especially for family caregivers, because it provides an important break. What is of most concern in this program is that there has been a 49-percent drop in Adult Day clients over the last seven years. Senior and Disabilities Services were asked to help find the answers. Sometimes when a person is in an Adult Day program, they need more care than what an Adult Day program can provide. The next step would be assisted living or nursing home level of care is the No. 1 reason; second is that people are relocating to another Adult Day program or are moving to another area; third is that people are passing away. She moves to the question of why more seniors take part in the Adult Day services. First is that, in terms of their facility, the Adult Day program is not set up in a way that can comfortably accommodate a lot of people in wheelchairs and walkers. Because of the higher participant healthcare needs there is a need for a higher staff-to-participant ratio; there has been no funding increases for Adult Day. Plus, staff would need to have more training in order to provide services that people need at different levels of dementia. Another important reason is the fact that family caregivers wait to enroll someone in an Adult Day program because it has a bad reputation, one step before assisted living; and sometimes families are in denial. She moves to the funding which has zeroed for Senior Community Service Employment program that funds the Mature Alaskans Seeking Skills Training program in Alaska. She states that AARP has come out with its latest scorecard on long-term support services. They basically take a look at five indicators because they define a quality system of care and they are identified based on a consumer's point of view. They found that Alaska ranks in the top five of all states in terms of offering a high-quality, long-term system of care. Of those five indicators, Alaska ranked in the top ten for four of them. Those four have to do with person-centered care and quality of care provided. She states that a lot of help is needed when it comes to affordability and access. She moves on, stating that this is year two of a two-year session, and we will move forward with the three advocacy priorities that were identified last year as the baseline. She adds that they will focus on protecting the senior safety net funding for those core home- and community-based long-term support services. She states that HB 236 is to reauthorize the senior benefits payment

program, sponsored by Representative Kawasaki. On Thursday, September 28, the House Health and Social Services Committee will sponsor a listening session for Alaskans to talk about their experiences with the senior benefits program and their ideas about it. There has been a lot of moving forward with technology, smart-phone technology, assistive technology and how that can provide more choice and independence for a person whether they are a senior or a person with disabilities. They would like to see those services covered by the waiver. Senior and Disability Services is moving forward with the application of the InterRAI, the new assessment tool that will replace the current assessment tool known as the CAT, the consumer assessment tool. InterRAI stands for the International Resident Assessment Instrument. She moves on and makes a few statements in terms of what is on the horizon. There is the need to update the Alaska State plan for senior services, which is pretty important for senior programs. The roadmap also needs to be updated. The hope is that both of those plans will be updated over the next couple of years and have the Trust as a partner in that effort. There is also a need for flexible funding for providers to serve people who are not Medicaid eligible to make sure that seniors are able to stay healthy and independent as much as possible. She mentions that all of the Trust beneficiaries are aging, and it is really important to have appropriated services and housing to keep them living independently to the greatest degree possible in home- and community-based settings. The Governor has been asked to recognize September 22 as Senior Fall Prevention Day in Alaska. Sitka is doing a whole week, the third week in September devoted to senior fall education activities, and a lot of other fun activities. She states that there is a special presentation for public libraries in Alaska to talk about the State's resources for seniors. She continues that a new Medicare ad hoc committee is being established with a good response; the first meeting will be October 17. Next week is the Commission's board meeting, which will be held by videoconference and teleconference.

A brief question-and-answer period ensues.

CHAIR MICHAEL thanks Ms. Daniello for a very informative presentation. She states that next is the statutory advisory update from Patrick Reinhart, executive director for the Governor's Council.

#### **STATUTORY ADVISORY UPDATE**

MR REINHART begins by explaining that the Council is a conglomeration of multiple entities, the State Developmental Disabilities Council, the State Interagency Coordinating Council for Infants and Toddlers with Disabilities, the Beneficiary Advisory Board to the Trust, the governing body of the Special Education Service Agency, as well as the Special Education Advisory Panel for the State. All five of those aspects are in their statute. He states that the next council meeting is October 2-3 in Anchorage, and that trustees are always welcome. The big issues are that the five-year planning process is done, and a five-year plan booklet that is readable by the public versus this long federal document that is submitted, is about to be produced.

MS. VANDERGRIFF states that the five core goal areas are: Community inclusion; support services, broad DD services in the state; employment, education; early intervention; and healthcare. Year 1 of the state five-year plan is finishing up, and there have seen some really good outcomes, which will be discussed in the committee reports. She talks about the Teddy

Bear Picnic activity that is in its second year and will be an annual fixture. This year, 3500 people came out, over a dozen disability agencies, and lots of great interactive activities. There was Adopt a Teddy Bear with the Arc of Anchorage; Meet Cheeseburger, the therapy horse from Equine Assisted Therapy of Alaska; bocce ball by the Special Olympics of Alaska.

MR. REINHART mentions that at the October 2<sup>nd</sup> public session, the feature will be the inclusive playground movement to honor the people that started from that one playground to nearly a dozen, with more planned in the future.

MS. VANDERGRIF states that the ADA Day celebration is something that everyone needs to be aware of. The 27<sup>th</sup> year of the ADA in Town Square Park was celebrated. Working with Access Alaska, a march was held around the park, and the area was chalked with different inspirational phrases about the ADA. He continues that Peer Power Alaska is partnering with the Council to put together a self-advocacy summit on September 30<sup>th</sup> and October 1<sup>st</sup>. He continues that the Council is thankful to the Trust for the support from some additional funding to look at bringing self-advocates from rural and remote regions. There is a lot of interest and hope to make this an annual fixture where there is consistent self-advocacy training. The annual Disability and Aging Summit is in its third year, and brought to you by Special Olympics Alaska and the Alaska Disability and Aging Coalition. He adds that the keynote speaker, Anne Applegate, will speak on supported decision-making, giving two presentations.

MR. REINHART gives a few updates about supported decision-making. The actual coalition that is being led by the Court System will start on September 26 with its first meeting. He continues that they will be going around the state doing community forums and trying to get people to come out and talk about guardianship issues.

MS. VANDERGRIF states that the Developmental Disability Committee continues to monitor the IDD registry, which is at approximately 711. She continues that there is now a workforce work group based out of this committee which is looking at how to better understand the caregiver barriers to both obtaining and maintaining employment. This is for those that have a child or individual in their home with a significant disability. The National Association of Councils on Developmental Disabilities was attended and met the new commissioner of the Administration on Disabilities, Melissa Ortiz, and attended some technical assistance institutes. She added that the commissioner spent the entire time at NADCC, and attended the large annual meeting for the self-advocates. The DD committee continues to work with the Alaska DD collaborative. The other big undertaking has been putting together the \$2-and-a-quarter million grant that was put forward to the administration on community living. It is the Living Well Grant. The goal is to make this DD vision a reality. She thanks the Trust for partnering on this effort. She moves to employment and states that there is a lot going on. Ric Nelson is the lead staff for the employment transportation committee. She states that the Council was the co-sponsor with the Alaska Society of Human Resource Management for their conference, which was the second time for the Council. She continues that, before leaving, folks asked to co-sponsor the next conference which will be in September 2018. John Kemp, who is the founder of the business leadership network, will be brought in. Another thing that is being worked on is Project SEARCH expansion. At the end of the month, Aaron Riley, the co-founder of National Project SEARCH, will go around the state helping to look at expansion. The Alaska Integrated Employment Initiative, the federal employment grant, had submitted for a no-cost six-year

extension. This was originally a five-year grant, but there was enough money to roll over for a sixth year. She adds that this will allow more sustainability and continue the momentum that has been built.

TRUSTEE EASLEY asks if that \$450,000 on the previous slide was new money.

MS. VANDERGRIFF replies that is for the ACL grant and will be new money for five years. If awarded it will start in October of this year. She states that now is a good time to view the new microenterprise video which shows stories of some of the grantees and people doing awesome things in the employer realm.

(Video being played.)

MR. REINHART states that August was ABLEtoSave month. He continues that about 20,000 postcards are being sent to people that are on Alaska Public Assistance. He adds that this is a great tool for people to be able to maintain their benefits and start saving money to help get them out of poverty. He continues, mentioning a few highlights from the education committee, and gives an update on the FASD work group. He talks about the Early Intervention Committee which oversees the State ILP, Infant Learning Program. He continues his presentation, explaining as he goes through the slides. He states that the Alaska Mobility Coalition has gone to a completely virtual organization. John Kern, former capital transit manager, was hired as a part-time executive, and they have gotten rid of all of the office-related expense. He adds that what used to be a \$250,000 per year organization is now less than \$50,000, and sustainable at that. He talked about the critical efforts, and states that the healthcare and Medicaid reform is something that needs to be constantly watched. He moves to the individual supports waiver.

MS. VANDERGRIFF states that SDS recently came out with an e-alert to talk about what this individual support waiver will look like. It is looking to get federal approval to serve 600. The ISW is targeting those folks with DD grants and also those that are on the current registry that may be able to be served that have not been pulled for that I/DD waiver. There is a go-live date of January 1, 2018. SDS is asking providers to be prepared and provide guidance to individuals and families, because as the notice-to-proceed letters are received, there will be the need to have paperwork filled out.

MR. REINHART states that the legislative committee meets next week, and the priorities will be laid out there. He continues that there may be some legislation related to the supported decision-making changes, and we are not sure if it will be ready for this next session.

CHAIR MICHAEL asks for any questions from the trustees. There being none, she thanks both Mr. Reinhart and Ms. Vandergriff for doing a great job. Before taking a break, she states that Valette has asked for volunteers that would be willing to follow up on the references for the potential candidates for the CEO position.

MR. WILLIAMS recommends that if the trustees are comfortable, it can be just two trustees.

CHAIR MICHAEL states that she and Trustee Easley will volunteer. She calls a ten-minute break.

(Break.)

CHAIR MICHAEL begins with a presentation by Patrick Sidmore, from the Alaska Mental Health Board and the Advisory Board on Alcoholism and Drug Abuse.

**ALASKA MENTAL HEALTH BOARD AND THE ADVISORY BOARD ON ALCOHOLISM AND DRUG ABUSE**

MR. SIDMORE explains the demographics of the different members of the boards and continues his presentation. He states that there is some great news going on with youth. The percentage of not drinking has been going up. There has been great work out of DBH underage drinking prevention. In comparison, the marijuana use in the previous 30 days has been really flat, and is something that is being watched with legalization. One question that was asked of high school students was about their perceptions of the risk of marijuana use. Their perception of risk is diminishing, and there is more acceptance of it with legalization. He moves to childhood trauma and states that, at the end of the month, he will be meeting with the National Child Traumatic Stress Network, who are very interested in the data work that the Trust has supported. He continues that there are no national rates yet, and they've looked at ten states. There was no rhyme or reason to this other than the data was available. He goes through this in greater detail, explaining the data found in the comparison. He shares the following information from behavioral health: FY17 substance use showed about 8500 Alaskans received treatment, and these are from grantees of DBH. There are about 25 percent of the people in the behavioral health system that are receiving treatment for opioids; in 2013 it was about 16 percent. He adds that it is important to remember that alcohol is still the dominant problem in the behavioral health substance abuse system. He moves to the rebasing of rates, and states that the reimbursement rates for behavioral health Medicaid have not been updated. He continues that there is this process that has been in place, and rates matter because rates that are based on actual costs actually allow service providers to make decisions that are based clinically rather than based on what is going on in the clinics. The Office of Rate Review, DBH, the Behavioral Health Association have been developing a methodology that is going to come out soon. It is going to pay for the increase in rates, and it is crucial to stay on top of this. He asks for any questions.

CHAIR MICHAEL thanks Mr. Sidmore, stating that his presentation was very informative. She asks for anything else to come before the board. She states that the work session tomorrow morning begins at 9:00 o'clock.

TRUSTEE SELBY makes a motion to adjourn the meeting.

TRUSTEE COOKE seconds.

*There being no objection, the meeting is adjourned.*

(The Full Board of Trustees meeting adjourned at 4:50 p.m.)

**Minutes for the  
October 4, 2017  
Full Board of Trustee  
Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY

SPECIAL FULL BOARD MEETING

October 4, 2017

10:30 a.m.

Taken at:

3745 Community Park Loop, Suite 120  
Anchorage, Alaska

**OFFICIAL MINUTES**

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Trustees present:

Christopher Cooke, Chair (via telephone)

Carlton Smith (via telephone)

Paula Easley

Greg Jones (via telephone)

Laraine Derr (via telephone)

Jerome Selby (via telephone)

Trust staff present:

Michael Abbott

Steve Williams

Miri Smith-Coolidge

Valette Keller

Katie Baldwin-Johnson

Trust Land Office:

Wyn Menefee

Aaron O'Quinn

**PROCEEDINGS**

**CALL TO ORDER**

CHAIR COOKE states that Mary Jane Michael is out of the country and, as vice chair, he calls the meeting to order, calls the roll, and states that everyone is present telephonically, except for Trustee Easley, who is present at the Alaska Mental Health Trust Authority. He moves to the agenda and asks for any additions, changes or corrections.

TRUSTEE SELBY makes a motion to approve the agenda.

TRUSTEE DERR seconds.

*There being no objection, the motion is approved.*

CHAIR COOKE asks for any ethics disclosures. There being none, he moves to the Fahrenkamp Center parking lot expansion.

MR. O'QUINN states that this is a proposal for a principal expenditure of up to \$160,000 to fund an expansion of the parking lot at the Fahrenkamp Center, and is based on a few factors. The primary factor is the needs of the existing tenant, Fairbanks Community Mental Health Services. He continues that they had pursued some additional funding, but have been unable to do so. They approached the Trust Land Office for that, and we are proposing that Trust principal expenditure be used to fund that. Currently, the facility does not meet the new revised Fairbanks building codes. There currently are 33 parking spaces; the building code requires one parking spot per 200 square feet. The building is about 10,000 square feet; and 50 parking spots are required. The new addition will add 25 parking spaces, and there is an additional asphalt area that can be striped to add 10 parking spaces. That would bring the total up to 58 parking spaces. A lot of those spaces need to be allocated to accessible needs, because many of the clients that visit the facility require accessible parking. There will be five total accessible parking spaces: three in the client parking lot; two in the employee parking lot. Additionally, if the tenancy of this organization were to terminate, there would be an enhanced amenity for future tenants in that the building would be compliant with the building code.

TRUSTEE EASLEY makes a motion that the Alaska Mental Health Trust Authority Board of Trustees approve a principal appropriation of up to \$160,000 from the Trust Authority Development Account, fund code 3320, for a parking lot expansion at the Fahrenkamp Center.

TRUSTEE DERR seconds.

TRUSTEE JONES asks if the parking lot has added design for snow storage.

MR. O'QUINN replies that they are encroaching on the snow, rather than the snow encroaching on them.

TRUSTEE JONES comments that, in addition to being a benefit to an important organization to the Trust, this is also a benefit to the property. Bringing the parking up to code maintains its viability in the market.

MS. BALDWIN-JOHNSON adds that staff has worked closely with the Trust Land Office and the Fairbanks Community Mental Health Center. They are the community behavioral health center in the Fairbanks greater area providing very important services to Trust beneficiaries.

A brief discussion ensues.

*There being no objection, the motion is approved.*

CHAIR COOKE states that next on the agenda is the status of CEO recruitment. At the last brief meeting we appointed a committee of Trustees Jones and Derr to contact the person that we are seeking to hire as CEO. He asks for a report.

TRUSTEE JONES states that we had a successful negotiation.

TRUSTEE JONES makes a motion to go into executive session to go through the details.

TRUSTEE EASLEY seconds.

MR. WILLIAMS states that there is a need to put on the record a motion for the reason to go into executive session.

TRUSTEE EASLEY makes a motion that the board go into executive session to consider the CEO recruitment which by law is not subject to public disclosure under AS 39.25.080(a).

TRUSTEE JONES seconds.

*There being no objection, the motion is approved.*

(Executive Session from 11:00 a.m. until 11:08 a.m.)

CHAIR COOKE reconvenes the special board meeting.

TRUSTEE EASLEY makes a motion that the trustees appoint Michael Abbott as chief executive officer of the Alaska Mental Health Trust Authority, PCN 04-9400, effective November 1, 2017.

TRUSTEE JONES seconds.

*CHAIR COOKE asks for a roll call vote: Trustee Derr, yes; Trustee Easley, yes; Trustee Jones, yes; Trustee Selby, yes; Trustee Cooke, yes. The motion passes unanimously.*

CHAIR COOKE recognizes Michael Abbott and welcomes him aboard. He states that the trustees look forward to great work with you over the years to come.

MR. ABBOTT states that he is honored to be selected, and looks forward to starting in a few weeks.

CHAIR COOKE states that this was important to do on a minimum amount of notice and an important step for the Trust, worth doing in this abbreviated fashion and telephonically.

TRUSTEE JONES states, for the record, that no action was taken in the executive session for the Open Meetings Act. He points out that the search for the new CEO took over six months, involving a search firm and over 30 candidates; some were minimally qualified, and quite a number of them were very qualified. It involved both the trustees, staff, advisers, and we ended

up being very fortunate to hire a very qualified candidate. It was a long effort, and very successful.

CHAIR COOKE thanks Trustee Jones for his comments and asks for any other comments. There being none, he asks for a motion to adjourn.

TRUSTEE SELBY makes a motion to adjourn the meeting.

TRUSTEE JONES seconds.

*There being no objection, the motion is approved.*

(Special Full Board meeting adjourned at 11:11 a.m.)

**Minutes for the  
October 26-27, 2017  
Full Board of Trustee  
Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY  
SPECIAL FULL BOARD OF TRUSTEES MEETING

October 26, 2017  
4:30 p.m.

Taken at:  
Alaska Mental Health Trust Authority  
3745 Community Park Loop, Suite 110  
Anchorage, Alaska

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**OFFICIAL MINUTES**

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Trustees present:

Mary Jane Michael, Chair  
Christopher Cooke  
Laraine Derr  
Carlton Smith  
Paula Easley  
Jerome Selby  
Greg Jones

Trust staff present:

Steve Williams  
Andy Stemp  
Carley Lawrence  
Michael Baldwin  
Katie Baldwin-Johnson  
Valette Keller  
Jimael Johnson  
Miri Smith-Coolidge

Trust Land Office staff present:

Wyn Menefee

Others participating: Faith Meyers; Dorrance Collins.

**PROCEEDINGS**

CHAIR MICHAEL calls the meeting to order and acknowledges that all trustees are present. She asks for any announcements or any ethics disclosures. There being none, she asks for a motion to approve the agenda.

TRUSTEE SELBY makes a motion to approve the agenda.

TRUSTEE COOKE seconds.

*There being no objection, the motion is approved.*

TRUSTEE DERR states that this is a day of committee meetings, and asks why public comment is being done.

MR. WILLIAMS states that this is actually a full board meeting. He continues that tomorrow's agenda is focused around the governance documents, which includes the bylaws and charters, and we wanted the opportunity for the public to provide comment on that prior to the board going into discussion on those changes.

CHAIR MICHAEL states that, after the meeting, we will go into recess and continue tomorrow. She comments on the process of going through refining the bylaws and writing new charters for the organization for the various committees and roles. She thanks the trustees and staff for the time and energy put into this over the summer. It was a monumental task to spend the time to share values, beliefs, and to take the time to look at the organization and its future. She continues that several meetings were held in July and August; the public was involved in September; the documents we reviewed in October; and today we will take one last opportunity to have public comment on those issues and any other issues to come before the board. She states that she would like to open the public comment, and reads the guidelines. She then acknowledges that there are two written public comments: One was from Dennis Johansson, which each trustee received by email; the other was from Faith Myers and Dorrance Collins, a copy of which was provided to each trustee. She recognizes and welcomes Faith Myers.

MS. MYERS states that the Alaska government equates creating new programs for the disabled with improved rights. Alaska is about 20 years behind best practices when it comes to protecting the disabled. She continues that this opinion is based on the following facts: The Alaskan government has never produced a grievance procedure and appeal process law or regulation specifically designed for individuals with a cognitive disability, like in some other states. As of today, the Alaskan government does not adequately require that assistance is provided to the disabled when they are filing a complaint. State law, AS 47.30.847, only applies to some facilities, and the law does not state when the patient advocates must be available. She asks what will it take to improve the rights for the disabled in Alaska to best practices. She continues that, for a start, the Mental Health Trust Authority bylaws should be amended to require the establishment of a standing committee that would catalog the rights of the disabled and the number and types of complaints. Without the basic knowledge of beneficiaries' rights and complaints, the Trust Authority and the State will find it impossible to fund the advancement of quality of care for the disabled to best practices.

CHAIR MICHAEL states that if it is not in the bylaws, what about a charter that the Trust is committed to recognizing patient rights. She continues, that typically would not be seen in a bylaw document. She adds that she is thinking about a way to incorporate that into one of the existing charters, or creating a new charter.

MR. COLLINS suggests putting it into the mission statement, to be an issue on the committee meetings. In talking to the Alaska Mental Health Board, Disability Law, ask them what needs to be improved.

CHAIR MICHAEL replies that for the moment the trustees wanted to spend time on the bylaws and charters.

MS. MYERS states that they would like to see some kind of committee that is focused on the problem of improving rights.

MR. COLLINS states that this has been 20 years, and adds that both he and Ms. Myers would be willing to serve on any committee.

CHAIR MICHAEL thanks both and asks if there is anyone on-line that would like to testify. She then asks if there is anyone else in the audience that did not sign up that would like to testify. If there is no further public comment, she recesses the meeting, and we will resume at 9:00 o'clock in the morning tomorrow.

(Special Full Board Meeting recessed at 4:45 p.m.)

ALASKA MENTAL HEALTH TRUST AUTHORITY

SPECIAL FULL BOARD MEETING

October 27, 2017

9:07 a.m.

Taken at:

Alaska Mental Health Trust Authority  
3745 Community Park Loop, Suite 110  
Anchorage, Alaska

**OFFICIAL MINUTES**

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Trustees present:

Mary Jane Michael, Chair

Christopher Cooke

Laraine Derr

Paula Easley

Carlton Smith

Jerome Selby

Greg Jones

Trust staff present:

Steve Williams

Andy Stemp

Carley Lawrence

Heidi Wailand

Michael Baldwin

Katie Baldwin-Johnson

Valette Keller

Lucas Lind

Jimael Johnson

Miri Smith-Coolidge

TLO staff present:

Wyn Menefee

Sarah Morrison

Others participating:

Kathy Craft; Patrick Reinhart; Catherine Woods; Stuart Goering.

## PROCEEDINGS

CHAIR MICHAEL calls the meeting to order and states that all trustees are present except for Laraine Derr, who will be here in about ten minutes.

MR. WILLIAMS states that Stuart Goering is going to be on-line as a resource when the bylaws are gone through. He will be present around the lunch hour, and will be here for the remainder of the afternoon, if needed.

CHAIR MICHAEL asks for any other announcements. She asks Trustee Smith to give the Resource Management Committee report.

## RESOURCE MANAGEMENT COMMITTEE REPORT

TRUSTEE SMITH reports that the Resource Management Committee met on October 26, 2017, and reviewed four consultations and approvals presented by TLO staff. Three consultations required an RMC consultation. After consultation, the committee members concurred with each proposal: Item A, which is MHT 9100862, B&W Enterprises Negotiated Sale; Item B, MHT 9100817, this is the Johnson Construction and Supply Negotiated Sale; Item D, Disposal of Missed Settlement Land on Homer Spit, SM 7025. He states that the following proposed actions require Full Board action per the October 26 RMC meeting: Item No. C, MHT 9100904, Naukati Land Exchange, Negotiated Timber Sale.

TRUSTEE SELBY makes a motion that the Trust Authority Board of Trustees concur with the disposal of timber through negotiated sale on Trust land located near Naukati on Prince of Wales Island

TRUSTEE JONES seconds.

MR. MENEFEE states that this will bring in \$15 million in revenue from the sale over a five-year period. This is maximizing revenues as a result of doing the land exchange. This will occur as soon as the lands are conveyed to the Trust.

TRUSTEE COOKE asks about the wording where the motion says that this is a negotiated sale on Trust land, but the Trust does not actually have the land yet. He asks if that creates any kind of ambiguity in this motion, or if more words are needed.

MR. MENEFEE responds that it could potentially be changed, but the timber will not be sold until it is Trust land.

TRUSTEE JONES makes a motion, with the concurrence of the maker of the motion, an amendment that adds the words starting with “on Trust land to be acquired through an exchange with the Forest Service and then located near Naukati.”

TRUSTEE SELBY considers it a friendly amendment, and asks the Chair to call the question.

*There being no objection, the motion is approved.*

TRUSTEE SMITH moves to Item 1, Icy Cape Gold and Industrial Heavy Minerals Project.

TRUSTEE SELBY makes a motion that the Alaska Mental Health Trust Authority Board of Trustees approve proposed asset enhancement action to fund the Icy Cape Gold Industrial Heavy Mineral Project with principal from the Trust Authority Development Account, Fund Code 3320, with \$3 million. These funds do not lapse.

TRUSTEE JONES seconds.

MR. MENEFEE states that this is a very good source of potential revenue for the Trust in the future. This investment has to be done now to identify the size of the resource and all the minerals.

TRUSTEE EASLEY asks if there was a separator in the budget.

MR. MENEFEE replies that there is a small unit that will be used out there. He continues that the intent is to do a reconditioning to a used one from the east coast. It has already been identified, and that would be part of that cost of a separator.

*There being no objection, the motion is approved.*

TRUSTEE SMITH states that the final item for approval is Item No. 2, the Land Exchange Budget Approval.

TRUSTEE SELBY makes a motion that the Trust Authority Board of Trustees approve the appropriation of an additional asset enhancement expenditure of \$3,165,000 from Fund 1092, Income, and Fund 3320, Principal, be added to the TLO's budget for the land exchange. These funds do not lapse, and staff is directed to negotiate and spend as minimum as possible of these funds.

TRUSTEE COOKE seconds.

MR. MENEFEE states that this is the money that is required to complete the land exchange as approved in both the state and federal legislation. This repositions the assets to make available a bunch of land for timber harvest. It is expected that the completion of the land exchange would probably generate between \$30 to \$50 million in revenue from timber from those lands. He adds that this will help complete the exchange with the Forest Service.

*There being no objection, the motion is approved.*

TRUSTEE SMITH concludes the Resource Management Committee Report.

CHAIR MICHAEL states that next on the agenda is the Finance Committee Report.

## **FINANCE COMMITTEE REPORT**

TRUSTEE SELBY states that the committee met on October 26, 2017, and started with a review of the year-to-date financial report by Chief Financial Officer Andrew Stemp, and then

proceeded with a number of actions. He continues that there were seven smaller focus area allocations and partnership grant allocations that were approved by the committee. Then the committee moved to the land exchange budget approval which was just discussed at the Finance Committee.

TRUSTEE SELBY makes a motion that the Full Board of Trustees approve the appropriation of an additional asset enhancement expenditure of \$3,165,000 from Fund 1092, Income, and Fund 3320, Principal, to be added to the TLO's budget for the land exchange. These funds do not lapse. Staff is directed to negotiate and spend as minimum as possible of these funds.

TRUSTEE JONES seconds.

*There being no objection, the motion is approved.*

TRUSTEE SELBY states that the next item is the mine matter.

TRUSTEE SELBY makes a motion that the Full Board of Trustees approve the proposed asset enhancement action to fund the Icy Cape Gold and Industrial Heavy Mineral Project with principal from the Trust Authority Development Account, Fund Code 3320, with \$3 million. These funds do not lapse.

CHAIR MICHAEL reminds all that a second is not required once it has been approved in a committee.

*There being no objection, the motion is approved.*

TRUSTEE SELBY states that, then, the committee took up three of the larger partnership grants.

TRUSTEE SELBY makes a motion that the Full Board approve the Finance Committee's recommendation of a \$200,000 FY18 partnership grant for the Statewide Independent Living Council for the Innovation to Independence through Enabling Technology Project.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the Full Board approve the Finance Committee's recommendation of a \$199,300 FY18 partnership grant to the Alaska Child and Family for the Day Treatment Partnership for Children on the Autism Spectrum.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the Full Board approve the Finance Committee's recommendation of a \$75,000 FY18 partnership grant to the Anchorage Library Foundation for the Social Worker in the Library Pilot Program

*There being no objection, the motion is approved.*

TRUSTEE SELBY states that the final item considered by the committee was the matter with regard to the allocation of the income for the year and its use for enhancement of assets versus

investment. That action was deferred to the board meeting later in November. Also deferred was the focus area allocation beneficiary employment engagement program, because additional information is needed. He concludes the Finance Committee Report.

CHAIR MICHAEL calls a recess until 9:30 when the meeting will continue with the Trust Governance Project.

(Break.)

CHAIR MICHAEL calls the meeting back to order and asks Catherine Woods, who will facilitate the process, to begin.

MS. WOODS begins by stating that she took the revisions to the bylaws and sent them back to the Trust and to Stuart Goering for legal review. There was a very minor technical correction on an error she had made on the bylaws; otherwise, they are exactly as what you have seen. Also, during that time, trustee comments were received, and the door was opened to comments from the advisory groups for both the bylaws and the committee charters. She continues that comments from board members received were stylistic in nature, not substantive changes to the body of the document, and they have been incorporated. She states that there is an opportunity today to move this all across the line which will leave a strong, intact governance structure. That is the goal. She adds that there is time set at the November 17 board meeting, if additional time is needed. She asks Mr. Goering to introduce himself.

MR. GOERING states that he is an assistant attorney general in the commercial area and support section. He continues that his other client agencies are the Regulatory Commission of Alaska and the Alaska Retirement Management Board. The common thread there is the finance and investment-related things, and the highly technical nature of the work that is done.

MS. WOODS begins with the bylaws and reminds all that some things were pulled out of the bylaws and moved into charters because it makes the bylaws a more evergreen document. She states that the bylaws will be looked at, also the authorities, with the possibility of adopting; being very clear about what is complete and what may need more clarity.

TRUSTEE SELBY makes a motion that the Full Board of Trustees adopt the revised bylaws as presented or amended.

TRUSTEE JONES seconds.

TRUSTEE COOKE states that he would like to know where the trustees stand in the spectrum of moving from the old bylaws to the new bylaws. He asks if this meeting is the time when these can be adopted.

MS. WOODS replies yes.

TRUSTEE COOKE asks if this is the final.

MS. WOODS states the requirement for amendment was that the bylaws be given 30 days of public notice, which happened. The board can take action today to adopt, which would become

effective from the date of adoption. She states that there is a motion on the floor.

CHAIR MICHAEL asks for any comments, concerns, or changes, and if there are any recommendations to the bylaws at this time.

MS. WOODS states that there was one singular change to the bylaws and it is on page 9, Article VII, Section 1, Letter A, the language previously stated, “ensure development of policies for governing the Trust Authority in the best interest of beneficiaries for approval by the board.” The language clearly mirrored the language in the Program and Planning Committee. She continues that the advice of legal counsel stated that because it is implicit that the trustees will work in the best interest of the beneficiaries, that language could be deleted in order to be more clear about the differentiation between the Executive Committee and the Program and Planning Committee. That is the singular change that was made to that document after a work session on September 8. All the other changes suggested by the Board of Trustees were adopted and approved in legal review.

CHAIR MICHAEL states that, given that, is there still a desire to go through each section, or if all are comfortable with this document.

TRUSTEE SELBY states that he wanted to make sure that there was the opportunity to identify everything that has happened since the last meeting.

MS. WOODS states that there were no other changes beyond the one just talked about.

*There being no objection, the motion is approved.*

CHAIR MICHAEL states that there is a new set of bylaws.

(Applause.)

A short discussion ensues on the format and addition of a last page stating the date when amended, plus a signature page with the secretary’s signature.

MR. WILLIAMS moves to page 12 regarding the CEO approval authorities. He states that this is a memo that outlines increased authority for grant approval for the CEO up to \$100,000. He asks for any questions about the authority, the document, or any changes.

A brief discussion ensues.

TRUSTEE SELBY makes a motion that the Full Board of Trustees delegate approval authority to the CEO to allocate grant funds previously approved by the Full Board, but not allocated to a specific grantee up to \$100,000.

TRUSTEE JONES seconds.

The discussion and explanation continues.

CHAIR MICHAEL asks Mr. Williams to describe how the higher spending limit would report out.

MR. WILLIAMS explains that today, applications are received on an ongoing basis and are called letters of interest. That comes into the Trust Authority office through the grant software. The program team goes over all of those letters of interest. This is an opportunity to look at an overview of what the project is, how it impacts the beneficiaries, what the anticipated request amount is. Then if any of those projects meet the mission, the trustees' priorities, are within a focus area and serving beneficiaries, a link is sent to the applicant and a full application is completed. Then, that full application gets reviewed and gets put together into a packet. The requests that are between \$10,000 to \$50,000 are submitted, in the current process, to the Finance Committee, which has the authority to approve those. He states that the new scenario would be the same process, but will come back to the board and the Planning Committee, and reporting out on a quarterly basis what grants the CEO had approved. The Planning Committee and the board would know that for this quarter four grants came in, and were approved by the CEO up to \$100,000, with a summary of the proposals, the actions, and the reasons why.

A discussion on the wording of the motions ensues.

CHAIR MICHAEL asks for any objections.

*With one objection, the motion is approved.*

The discussion continues about the dollar limits from a legal point of view.

CHAIR MICHAEL states that there is another motion.

TRUSTEE DERR makes a motion that the Full Board of Trustees delegate approval authority to the Program and Planning Committee to allocate grant funds previously approved by the Full Board but not allocated to a specific grantee up to \$500,000.

TRUSTEE SELBY seconds.

TRUSTEE COOKE makes a motion to include: This delegation of authority shall remain in effect so long as the Program and Planning Committee remains a committee of the whole board.

TRUSTEE SELBY seconds the amendment.

*There being no objection, the motion is approved.*

TRUSTEE SELBY states a point of order. The amendment was approved. Now the main motion on the motion as amended needs to be approved.

*There being no objection, the motion is approved.*

MS. WOODS states that the next motion before the board is from Wyn Menefee, clarifying how consultation happens between the TLO and the Trust.

TRUSTEE SELBY makes a motion that the Full Board of Trustees delegate authority to the CEO to receive consultation on behalf of the Trust Authority from the TLO as required by law regarding project total sale revenue below \$250,000 or projected total land or mineral lease or easement below \$50,000, and to quarterly report such consultations to the board.

TRUSTEE DERR seconds.

MR. MENEFEE states that the TLO does two types of actions with the board: consultations and approvals. Consultations are where the executive director already has the authority to take the action, but for regulation is required to consult before going on a best-interest decision to dispose of land. That can be a sale or lease. Approvals are about getting money for things. This deals with the consultations, and the aspect is to do this in two layers. It has been in the bylaws this way: The CEO has a certain amount of delegated authority, and then the RMC has a certain amount of delegated authority. Although there is not delegation, it was just in the bylaws. Because this is moving out of the bylaws, this delegation is needed.

TRUSTEE SMITH asks if it is fair to say that most of this relates to parcel sales.

MR. MENEFEE replies when talking about sales, that is correct, it is mostly parcel sales.

A brief discussion and explanation ensues.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the Full Board of Trustees delegate authority to the CEO to approve projects to specific expenditures from the principal budget reserves or facility maintenance account below \$50,000 per approval, with a cumulative maximum of \$100,000 per year, and to quarterly report such approvals to the board.

TRUSTEE JONES seconds.

MR. MENEFEE states that in the bylaws before, the CEO did not have this authority. This would be a new authority, but the aspect of keeping it below \$50,000 would be so that the CEO is not going out and doing more than \$100,000 in a year without board review. At the same time, it will be reported back quarterly to see what has been approved.

TRUSTEE COOKE asks if there should be something in this motion that refers specifically to the TLO.

MR. MENEFEE replies that it is an assumption, and if more clarity is needed, it can be done.

TRUSTEE COOKE makes a motion to amend the motion to include “delegates authority to the CEO to approve project-specific expenditures by the TLO.”

TRUSTEE JONES seconds.

*There being no objection, the motion is approved.*

CHAIR MICHAEL moves to the original motion.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the Full Board of Trustees delegates authority to the Resource Management Committee to receive consultations on behalf of the Trust Authority from the TLO as required by law regarding disposals of an annual lease rental between \$50,000 and \$500,000 and disposals with sale revenue between \$250,000 and \$1 million. This authority includes disposals that could produce revenues in the form of royalties that exceed this revenue limit and to the disposal that is an extension or expansion of an existing lease that has previously been subject to the consultation process so long as the expansion or addition to the lease does not exceed 25 percent of the original lease acreage.

TRUSTEE JONES seconds.

MR. MENEFEE explains that this is similar to what was already in the bylaws. That whole part about the expansion of lease acreage was verbatim from what was already in the bylaws and was carried forward. The amounts have been raised from what it was before for the consultation for sale revenues from \$100,000 to \$500,000. It is trying to keep the expediency of getting the business done.

TRUSTEE COOKE asks if something has not been left out.

MR. MENEFEE states that he may have misspoken. The lease would be the annual.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion to reconsider the previous motion concerning the delegation of consultation.

TRUSTEE DERR seconds.

TRUSTEE SELBY explains that his intention would be to go back to the motion to reconsider to approve Motion No. 1, to put in annual totals so that it is similar to the one just approved. He thinks that there is value in having clarity. He asks if it is total value over the term or the lease, or whether it is the annual lease rental.

TRUSTEE MICHAEL asks for any objections to the reconsideration of Motion No. 1.

*There being no objection, the motion is approved.*

TRUSTEE DERR makes a motion to amend the original motion by inserting the word "annual" in the second half of the motion to "projected annual total land or mineral or easement rental below \$50,000."

TRUSTEE SELBY seconds.

*There being no objection, the motion is approved.*

CHAIR MICHAEL asks for any objection to the original motion.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the Full Board of Trustees delegates authority to the Resource Management Committee to approve project-specific expenditures from the principal budget reserves for the facility maintenance account between \$50,000 and \$100,000.

TRUSTEE DERR seconds.

MR. MENEFEE explains that this moves from what existed before under project-specific expenditures, which had delegation in the bylaws to the RMC up to \$50,000, and now moves it to \$100,000.

TRUSTEE COOKE makes a motion to amend and insert the word “by the TLO” after the word "expenditures."

CHAIR MICHAEL asks if the amendment is accepted.

TRUSTEE SELBY states that he considers it a friendly amendment, and incorporates it into the original motion.

*There being no objection, the motion is approved.*

MS. WOODS states that the bylaws have been taken care of, as well as the authorities investing appropriately. She moves to the charters. The first charter is the charter of the Board of Trustees, and she states that there have been some changes.

TRUSTEE SELBY makes a motion that the Full Board of Trustees adopt the charter of the Board of Trustees as presented, and before amended.

TRUSTEE JONES seconds.

MS. WOODS states that she believes that this is a blanket comment that will apply to all of the remainder of the charters. In general, Mr. Goering advised that it was better to simply cite statutes where they lie rather than trying to restate it. There was a technical amendment made, which is the only amendment in Section 1.

The discussion ensues on the technical amendments in the charter.

MS. WOODS states that the paragraph would be changed consistently throughout all the charters so that each charter would be a stand-alone document that indicates the need to comply with the Open Meetings Act.

MR. GOERING states that AS 17.30.100 specifically said the quorum of the board is four members. It is very specific to the Trust Authority by statute.

MS. WOODS states that a statutory reference could be added on 33.

MR. GOERING stated that would be helpful in the event if for some reason that statute changed, that would flag it for reconsideration of that particular requirement.

MS. KELLER asks for the statute reference.

MR. GOERING replied that it is AS 47.30.016(d).

MS. WOODS moves to No. 48 and the question about the honorarium. Discussed in September was that the Trust had implemented a graduated schedule of honoraria for the Trust that directed Mr. Williams to speak with counsel about how to resolve the discrepancy between a graduated schedule and the \$200-per-day that is set as per diem. The language here states board members are entitled to an honorarium of \$200 for each or in part of the day spent in a meeting of the board, a meeting of the committee of the board, or as a representative of the board. Attorney advice was to define part of a day. It is defined as any in-person attendance at a meeting, whether it is a five-minute meeting, or any telephone contact over 60 minutes. Any conflicts will be resolved by the Executive Committee.

A discussion ensues.

TRUSTEE JONES states that he would like to amend the motion that is on the floor with several amendments. He continues that his understanding is there is a motion on the floor to approve the version dated 10/27/17, which is noted in the upper right-hand corners.

TRUSTEE JONES makes a motion to amend the motion, on page 16, by moving item 40 to the bottom of the list, so it would become 6, and everything else would move up. On page 17, he would like to amend by adding Section 6 under Governance, Section 6H, "chief executive officer," which adds a charter for the chief executive officer. On page 22, under "board meeting practices," he would like to amend by removing Sections 42 and 44 and replacing them with the same language that is in the bylaws of Section 3, page 8 of the packet, into one paragraph appropriately numbered. On No. 43 he would like to amend by adding the phrase to the sentence after it says "four board members," put in parentheses, "statutory reference of AS 47.30.016(d)." Then, on page 48, remove the sentence that says "part of a day is defined as any in-person attendance at a meeting or telephone contact over 60 minutes."

TRUSTEE SELBY seconds.

*There being no objection, the motion is approved.*

CHAIR MICHAEL asks for any objection to the original motion.

*There being no objection, the motion is approved.*

MS. WOODS asks for the scheduled break.

CHAIR MICHAEL calls a break.

(Break.)

CHAIR MICHAEL asks Ms. Woods to continue.

MS. WOODS states that the next step is to look at the charters of the board officers.

TRUSTEE SELBY makes a motion that the Full Board of Trustees adopt the charter for the chair of the board as presented or amended.

TRUSTEE DERR seconds.

MS. WOODS states that the substantive amendment that was offered was to item 20 under "duties and responsibilities." The previous text said that the board chair would serve as a member of the Executive Committee, and an ex officio voting member of all other committees. At present, the board operates with committees of the whole. Mr. Goering noted that if the board, at some point, chose not to operate as committees of the whole, which was provided for in the bylaws, that requiring that the board chair be an ex officio voting member results in potential scheduling challenges because of not being able to schedule committee meetings concurrently. The language offered was that the chair would serve as a nonvoting ex officio member of all committees as a standard, but the chair may be appointed as a voting member of the committee.

MR. GOERING points out that the chair is by definition a voting member of the Executive Committee, and that is not captured in this language, but it is on the record, being part of the charter of the Executive Committee.

CHAIR MICHAEL asked for any other suggestions from trustees or staff on changes to this one.

TRUSTEE SELBY states that he would remove item J on page 26, "review of the travel and other expenses of the CEO."

MS. WOODS states that language was left in, not because it is administratively valuable, but because it affords a protection to the challenges of decisions that a commissioner might make around travel that need not necessarily pertain to the Trust.

TRUSTEE SELBY continues that he has a simple solution to that problem. At every board meeting there be a consent agenda item of approval of travel for the CEO and the three chief officers for the organization.

A discussion ensues.

CHAIR MICHAEL asks for any objections to the motion to adopt the charter for the chair.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the Full Board of Trustees adopt the charter of the vice chair of the board as presented or amended.

TRUSTEE JONES seconds.

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MS. WOODS states that there were no substantive changes to this charter.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the Full Board of Trustees adopt the charter of the secretary of the board as presented or amended.

TRUSTEE JONES seconds.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the Full Board of Trustees adopt the charter of the Executive Committee as presented or amended.

TRUSTEE JONES seconds.

MS. WOODS states that there were no substantive changes to this charter.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the Full Board of Trustee adopt the charter of the Finance Committee as presented or amended.

TRUSTEE JONES seconds.

MS. WOODS states that there were no major changes. She continues that Mr. Goering did catch that the terms "financial" and "fiscal" were used interchangeably. That was corrected. There was one substantive change, Item 6, "the committee will consist of at least three trustees appointed by the board chair, each of whom have or are willing to develop a basic understanding of finance and accounting and be able to reach and understand financial statements." By inserting the language "have or be willing to develop basic understanding of the required skill" would give the trustees more latitude. She adds, that was the one substantive change, and it was made throughout the committee charters to be consistent.

TRUSTEE SELBY asks if identifying that the committee will consist of a committee of the whole be considered.

TRUSTEE DERR agrees that it should be defined some way.

A brief discussion ensues.

TRUSTEE SELBY makes a motion to amend the charter on page 32, replacing the current No. 6 with a simple sentence that says "the committee will consist of a committee of the whole board."

TRUSTEE JONES seconds.

*There being no objection, the motion is approved.*

TRUSTEE SELBY asks if there should be a provision in these committee meetings for some public hearing opportunity for folks that may be impacted. Should there be an opportunity for recipients or beneficiaries to come and speak at the committee meeting about what is needed to be considered.

MR. WILLIAMS states that is a good point. Right now, the CEO has information from the application information from staff, then any of the advisory boards who wish to provide any particular comment. That could also be incorporated out in the quarterly reports to the Planning Committee and to the Full Board.

TRUSTEE SELBY asks if that opportunity should be provided at the committee meeting level.

TRUSTEE EASLEY asks to move an amendment to Item 5 under "authority."

TRUSTEE EASLEY makes a motion to amend Item 5 under "authority" so that the committee through the CEO will have access to the CFO, legal counsel, as well as all advisers, consultants, and asset managers.

TRUSTEE DERR seconds.

A brief discussion ensues.

*There being no objection, the motion is approved.*

TRUSTEE COOKE asks if each of the committees are subject to the Open Meetings Act, and should there be public comment at each of the committee meetings.

MR. GOERING explains that the purpose of the Open Meetings Act is to let people transparently see what actions government agencies are taking, but not necessarily to participate in those meetings. The fact that some people are allowed to do that in some cases and not allowed in other cases is acceptable by law.

TRUSTEE SELBY makes a motion to amend this charter on page 32 by inserting a new No. 11, 11 and 12 to 12 and 13. The amendment would read: "The committee will provide a public comment period early in the meetings before taking action on funding decisions."

TRUSTEE JONES seconds.

TRUSTEE DERR makes a motion to insert the words "based upon recommendation by staff."

TRUSTEE SELBY accepts that as a friendly amendment.

TRUSTEE SELBY states that it would probably read: "The committee will provide a public comment period based on a recommendation by the staff early in their meetings before taking action on funding decisions, if needed."

*There being no objection, the motion is approved.*

MS. WOODS states that the goal is to revisit those agreements at least every three years.

TRUSTEE SELBY makes a motion to amend and add that the agreements would be revisited not less than every three years.

TRUSTEE JONES seconds.

TRUSTEE COOKE asks about the frequency of memorandums of agreement.

TRUSTEE JONES replies never.

CHAIR MICHAEL replies that they have been reviewed but have never changed anything. It requires talking to the commissioners, and it has never made it that far. She asks for anything further on the Finance Committee's charter.

*There being no objection, the motion is approved.*

CHAIR MICHAEL moves to the original motion with all the amendments, and asks for any objections.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the Full Board of Trustees adopt the charter of the Audit and Risk Committee as presented or amended.

TRUSTEE JONES seconds.

MS. WOODS states that there were no substantive changes to the Audit and Risk Committee.

TRUSTEE DERR makes a motion to amend paragraph 5 to be consistent on the CEO language as in the Finance Committee, and that item No. 6, also be consistent with the Finance Committee.

TRUSTEE JONES seconds.

A discussion ensues.

CHAIR MICHAEL asks if the board wants to be a committee of the whole or to go back and have it be a smaller group.

TRUSTEE SELBY states that this is a new thing and urges the board to initially continue being involved in the audit process. He continues that maybe at a later time the board may feel comfortable to have some subset do it. This is a learning opportunity for all board members to understand the whole process better, and to keep on top of the budget operations in the future.

*There being no objection, the motion is approved.*

CHAIR MICHAEL asks for any further amendments to the charter for the Audit and Risk Committee.

TRUSTEE COOKE makes a motion to amend the paragraph to read: "Provide written input and feedback to the CEO from the entire committee," delete "as a whole," "in support of the annual performance evaluation."

TRUSTEE JONES seconds

TRUSTEE EASLEY suggests stating: "Provide the committee's written input and feedback to the CEO in support of the annual performance evaluation of the chief financial officer." That same thing could be for the CEO.

CHAIR MICHAEL asks Trustee Cooke if he accepts that as a friendly amendment.

TRUSTEE SELBY suggests saying: "Committee as a body instead of as a whole."

*There being no objection, the motion is approved.*

A discussion ensues.

CHAIR MICHAEL moves to the original motion with amendments, and asks for any objections.

*There being no objection, the motion is approved.*

MS. KELLER asks if the board wants to include an opportunity for public comment with the Audit Committee charter.

TRUSTEE DERR replies that she does not think so.

TRUSTEE SELBY makes a motion that the Full Board of Trustees adopt the charter of the Resource Management Committee as presented or amended.

TRUSTEE JONES seconds.

MS. WOODS states that there were no substantive changes to the Resource Management Committee other than the increase in levels of authority that the board adopted this morning.

TRUSTEE DERR makes a motion to amend the motion to make a change in item 5 where it says, "The committee will have access to," and make it the same as in the Finance Committee.

TRUSTEE JONES seconds.

MS. WOODS suggests adopting on letter 3E: "Provide the committee's written feedback and input to the CEO," to make that consistent with what was just added.

TRUSTEE DERR adds the amendment on adopting on letter 3E: "Provide the committee's

written feedback and input to the CEO," to make that consistent with what was just added as a motion.

*There being no objection, the motion is approved.*

A discussion on what the Resource Management Committee needs to be able to do ensues.

TRUSTEE DERR makes a motion that under "operating procedures" a paragraph stating, "based upon recommendations of staff, there will be opportunity for public comment at each meeting."

TRUSTEE SELBY seconds.

MS. KELLER asks Trustee Derr about the wording of her motion. Would she like to keep it the way she said it, or should it be the same language used in the Finance Committee.

TRUSTEE DERR replies the same language as the Finance Committee.

TRUSTEE SELBY makes a motion that the Full Board of Trustees adopt the charter of the Program and Planning Committee as presented or amended.

TRUSTEE JONES seconds.

MS. WOODS states that there are no substantive changes to the Program and Planning Committee charter other than inclusion of the change in approval limits that was approved by the board this morning.

TRUSTEE DERR makes a motion to amend Trustee Selby's motion to paragraph 5 that the committee will have direct access through the CEO. The same language in paragraph 5, paragraph 6, and adding the paragraph in regard to open meetings or public comment at meetings. The same that were in the Finance Committee.

TRUSTEE SMITH seconds.

MS. WOODS asks if item 3, about providing the committee's written input, would be included.

TRUSTEE DERR replies yes.

*There being no objection, the motion is approved.*

MR. MENEFEE asks about under 9 and 10, modifying that to under operating procedures 9 and 10. That is the public records thing.

TRUSTEE DERR includes that.

*There being no objection, the motion is approved.*

TRUSTEE DERR makes a motion to approve her former amendment and would further amend that paragraphs 9 and 10 be consistent in each committee throughout the charters.

TRUSTEE JONES seconds.

TRUSTEE SELBY asks for a point of order. This charter needs to be finished, and then we can make Trustee Derr's motion a blanket as a separate motion; otherwise, it is within this charter.

CHAIR MICHAEL asks for any other amendments to the charter for the Program and Planning Committee.

*There being no objection, the motion is approved.*

TRUSTEE DERR makes a motion to make paragraphs 9 and 10 consistent among all of the committees.

TRUSTEE SELBY seconds.

*There being no objection, the motion is approved.*

TRUSTEE SELBY makes a motion that the Full Board of Trustees adopt the charter of the chief executive officer as presented or amended.

TRUSTEE JONES seconds.

MS. WOODS states that there are changes in the fact that this did not exist when we last met. She continues that in the introduction is that the Alaska law requires board of trustees to employ a chief executive. The bylaws states that the CEO will be the chief executive officer of appropriation and serve at the pleasure of the board. The bylaws set out in general terms the duties of the CEO. She continues going through the charter.

TRUSTEE JONES states that the board has an expectation and a right to require the CEO to report regularly to the board, which is done on a fairly informal basis at each meeting. He continues that the charter ought to require that the CEO should report to the board of trustees at each regular scheduled meeting on activities and the status of financial activities of the Trust.

TRUSTEE JONES makes a motion to amend and add, under "duties and responsibilities," Section 5, and reorder the following paragraphs appropriately after that: "The CEO is required to report to the board of trustees at each of the four regularly scheduled meetings per year on the major program activities, progress against the annual goals, and status of the progress against the budget."

TRUSTEE EASLEY seconds.

TRUSTEE COOKE suggests including the TLO since the CEO is supervisor of the TLO.

TRUSTEE JONES amends the motion that the executive director of the TLO report to the CEO, and the CEO should make sure that happens.

TRUSTEE EASLEY seconds.

*There being no objection, the motion is approved.*

TRUSTEE JONES amends the motion and states that No. 6 under "duties and responsibilities" with the following paragraphs being renumbered: "That the CEO is responsible for developing and executing a legislative program on an annual basis, with the goal of implementing the Trust mission with a legislative program on an annual basis, and reporting to the trustees on progress."

TRUSTEE SMITH seconds.

TRUSTEE SELBY asks for a friendly amendment to insert "timely."

TRUSTEE JONES accepts the friendly amendment.

*There being no objection, the motion is approved.*

TRUSTEE EASLEY states that she has a problem with item 10: "The CEO will actively consult with the board and receive their consent for the employment or termination of the following key roles: Executive director, executive director and chief financial officer."

MR. STEMPEL states that this is a critical discussion point for the board governance. As trustees, you want to be fully informed of what is happening at that level of leadership.

TRUSTEE JONES states that Mr. Stempel thinks that the consult language is adequate.

MR. STEMPEL replies yes, in this situation. There is a manager and there is confidence in that manager. It is disconcerting to require someone to validate their hiring or dismissal decisions with the board.

TRUSTEE EASLEY makes a motion that the CEO will actively consult with the board on the following key roles: Executive Director of the Trust Land Office and Chief Financial Officer.

TRUSTEE JONES seconds.

TRUSTEE DERR speaks against this motion from the standpoint of being able to change this in a year or so, but the Trust is bringing in a new person and he probably is not going to come in and change everything and everyone. She adds that she would like that level of protection for Mr. Stempel, Mr. Williams and Mr. Menefee.

A discussion on the subject ensues.

TRUSTEE SELBY states that this is complicated enough and recommends saying something along the lines, this is important to put in the charter, that these three key people are critical to the success or lack thereof in the future. He suggests saying: "The CEO will actively inform the board concerning the performance of those three key roles."

The discussion continues.

TRUSTEE EASLEY withdraws that amendment. She states that she agrees with Trustee Selby about having this year period where the board could have more control over the decisions of the CEO.

CHAIR MICHAEL states that Trustee Easley has withdrawn her amendment.

TRUSTEE COOKE makes a motion that among the duties and responsibilities of the CEO, assist the board in the development and implementation of the comprehensive communication program.

TRUSTEE JONES seconds.

MS. WOODS states that it is in the job description, and the comprehensive mental health plan is also in the job description. She cautions the board against reiterating the job description.

MS. KELLER states that under the authorities, when the board passed the amendments earlier this morning regarding authorities of the CEO regarding the TLO, there were some more amendments to add "annual" to that language. She suggests doing that in here.

TRUSTEE SELBY makes a motion to amend the authorities to true up with what was approved earlier today by the board.

TRUSTEE DERR seconds.

*There being no objection, the motion is approved.*

CHAIR MICHAEL calls a ten-minute break.

(Break.)

CHAIR MICHAEL recognizes Trustee Cooke.

TRUSTEE COOKE makes a motion to go to paragraph 3, "duties and responsibilities," and to amend that paragraph with the following wording: "The board has approved a position description that is filed with the State of Alaska and which is incorporated herein by reference and attached hereto."

TRUSTEE SMITH seconds.

A discussion ensues.

CHAIR MICHAEL asks Trustee Cooke to clarify his motion.

TRUSTEE COOKE explains that Paragraph 3 would read: "The board has approved a position description that is filed with the State of Alaska and is incorporated by reference and attached hereto." It would leave No. 5, delete No. 6 and 7, and anything else that is added.

TRUSTEE JONES seconds

AMHTA

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Special Full Board Meeting Minutes  
October 27, 2017

*There being no objection, the motion is approved.*

CHAIR MICHAEL goes back to the original motion and asks for any objections.

*There being no objection, the motion is approved.*

TRUSTEE SELBY states that a roll call vote is needed on all of the things adopted today.

*CHAIR MICHAEL calls the vote: Trustee Easley, yes; Trustee Jones, yes; Trustee Selby, yes; Trustee Smith, yes; Trustee Derr, yes; Trustee Cooke, yes; Trustee Michael, yes. The motion is approved.*

MS. WOODS states that this is a job well done and tells the trustees to give themselves permission to know that things are not 100 percent as amended and that is okay. She reminds all that November 17 is the advocacy board meeting.

MS. LAWRENCE states that that is an opportunity to meet with the executive directors of the statutory boards and discuss joint legislative priorities. She adds that she will send details. She asks if it would be an appropriate time to also talk about the proposed statute changes in the draft bill.

CHAIR MICHAEL replies that she wants to appoint Trustee Jones to head up an ad hoc committee on the audit. She asks for any volunteers who would like to be on the Audit Committee.

TRUSTEE DERR states that she will.

CHAIR MICHAEL states that Trustee Derr is the chairman of the Audit Committee. She asks for any other comments.

TRUSTEE SMITH expresses his appreciation to Steve Williams for his role as acting CEO and to Mr. Menefee for his role in this interim period, and to the program officers. He appreciates the work.

TRUSTEE DERR thanks Catherine Woods, stating that she is the best facilitator that she has ever worked with.

TRUSTEE COOKE echoes Trustee Derr's comments regarding Ms. Woods.

CHAIR MICHAEL states that there will be a final draft that will come out to everyone. The plan is to get it signed and sealed today.

TRUSTEE SELBY thanks Mr. Williams and Mr. Menefee, in particular, and the entire staff for the way they hung in through the reorganizational process. He appreciates the fact that they have kept the ship on course and did a great job delivering service. It has been outstanding and he really appreciates it, as well as the Board. He moves on to a letter that was received in the public comment period and asks that Mr. Williams talk to the attorney general's office.

TRUSTEE EASLEY also commends Mr. Menefee for keeping the staff together over this last period, stating that they are doing a fine job. She adds that Trustee Jones has done a fine job as a new board member.

CHAIR MICHAEL states that staff have been incredible and thanks all. She really appreciates it.

MR. WILLIAMS thanks all for the recognition and appreciation for staff. All have gone through a significant amount of organizational transitions, and we have all just accomplished a bunch of work that is setting the foundation.

CHAIR MICHAEL recognizes Patrick Reinhart.

MR. REINHART states, on behalf of the beneficiary boards, all the hard work put into this is greatly appreciated.

CHAIR MICHAEL asks for a motion to adjourn.

TRUSTEE DERR makes a motion to adjourn the meeting.

TRUSTEE SELBY seconds.

*There being no objection, the motion is approved.*

(Special Full Board Meeting adjourned at 1:27 p.m.)

**Minutes for the  
November 16, 2017  
Full Board of Trustee  
Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY

FULL BOARD OF TRUSTEES MEETING

November 16, 2017

8:30 a.m.

Taken at:  
3745 Community Park Loop, Suite 120  
Anchorage, Alaska

**OFFICIAL MINUTES**

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Trustees present:

Mary Jane Michael, Chair  
Carlton Smith (via Speakerphone)  
Paula Easley  
Jerome Selby  
Christopher Cooke  
Greg Jones

Trust staff present:

Mike Abbott  
Steve Williams  
Miri Smith-Coolidge  
Jimael Johnson  
Heidi Wailand  
Carley Lawrence  
Luke Lind  
Michael Baldwin  
Carrie Predeger  
Katie Baldwin-Johnson  
Valette Keller  
Andy Stemp  
Kelda Barstad

Trustee Land Office present:

Wyn Menefee  
Craig Driver  
Sarah Morrison  
Aaron O'Quinn

Also present: Roy Scheller; Patrick Reinhart; Denise Daniello; Patrick Sidmore; Natasha Pineda; Kristin Vandergriff; Kathy Craft.

## **PROCEEDINGS**

CHAIR MICHAEL calls the meeting to order and does a roll call. She states that Trustee Derr is on vacation, and Trustee Jones will be late. She moves to approval of the agenda.

TRUSTEE COOK makes a motion to approve the agenda.

TRUSTEE SELBY seconds.

MR. ABBOTT states that the external auditor, BDO, is not ready to present the draft audit today, and recommends the cancellation of the Audit and Risk Committee meeting this afternoon. He adds that staff will work with Chairman Derr to schedule another Audit Risk Committee meeting in Late November, early December.

CHAIR MICHAEL thanks Mr. Abbott and adds that there will be a break to take lunch from 12:15 to 1:15. She asks for any other changes to the agenda.

*There being no objection, the motion is approved.*

CHAIR MICHAEL states that the Guiding Principles are in the packet and asks for any ethics disclosures. There being none, she moves to the minutes for the August 3, August 17, August 24 and September 28<sup>th</sup>, 2017, meetings, and asks for a motion to approve.

TRUSTEE COOKE makes a motion to approve the minutes of the four meetings.

TRUSTEE SELBY seconds.

*There being no objection, the motion is approved.*

CHAIR MICHAEL states that the current bylaws are included in the packet. She invites Roy Scheller to the table, stating that Mr. Scheller is the executive director of Hope Community Resources, and will share a mission moment.

## **MISSION MOMENT**

MR. SCHELLER states that at Hope there is an expression that magic moments can be fostered and developed and created through time. He continues that the Trust has sponsored and fostered and supported a magic moment for a young man named Travis, through the grant associated with assistive technology that helps him be more independent. In fact, assistive technology has entirely changed Travis' self-confidence and impacted his experience, medical challenges and loss of some skills. He was starting to lose his own voice of advocacy, and with that equipment he regained control of day-to-day living and has found his voice, his spirit, and is now actively involved in doing things throughout the state. He shares a video.

(Video played)

MR. SCHELLER states that the movement with assistive technology is being driven by the baby boomers who are retiring, aging and demanding more opportunity to stay home. He added that a full FTE was reduced to one person's plan of care by just the use of technology.

CHAIR MICHAEL asks how long the pilot project was and how long did it take to install all the features and figure them out.

MR SCHELLER replies that it took a while to begin doing a lot of assessment of what the necessary equipment needed would be. Then, data was collected for another six months that would allow the benefits to be identified and how much staff would be able to be reduced with the use of it.

CHAIR MICHAEL asks if this has been done in other homes now, and is it progressing, or is it still a pilot project.

MR. SCHELLER replies that it is a pilot project and that funding from the Trust was \$200,000 which will open this up statewide for people to be able to do. Travis has been showing people his home and the technology on a regular basis.

MR. REINHART states that some of the other agencies have some demos with clients in rural areas, and it is growing. The opportunity is there, not only for people with developmental disabilities, but also for the senior population. He added that it is one of the reasons why both the Commission on Aging and the Council got behind this, because it can benefit several different populations.

TRUSTEE COOKE asks if there is an estimate of the population whose lives and circumstances could be improved with assistive technology.

MR. SCHELLER replies that Hope supports about 800 people in different environments, and at least half of the people supported would benefit from some levels of technology. He adds that there are opportunities out there for microbusinesses, for other agencies to be able to identify how to help a person, put the equipment in and utilize it.

MS. BALDWIN-JOHNSON states that the process of the Home Map, which does a thorough evaluation of individual needs, technology needs, and then assists in creating some recommendations that the organizations are working with the individual.

MS. DANIELLO states that she is with the Commission on Aging and that the Home Map project has focused a lot on seniors, where the home mapper, assessor, going into a person's home and, through a process of interviewing the person and their family and then doing a surveillance to identify what types of rehab can be done in the home to reduce falls, improve comfort in navigating the home. Assistive technology will be incorporated to help that person to live more comfortably. She mentions people with cognitive impairments, with Alzheimer's disease. The Commission has been working with the Southeast Alaska Independent Living Center about incorporating or adapting the Home Map to be able to address those needs, as well. She thanks Hope for piloting this program and looking at how it can be used for seniors. She

continues that a lot of seniors, older people, are not tech savvy and it is very important that people are trained to use the equipment, the technology and to make sure that it is working properly. This is also important with someone who has increasing memory loss.

MR. REINHART explains that this process goes back quite a way. The Trust had originally put \$50,000 a year into this whole assistive technology piece. It was a few years ago that money was put into the project to expand it to include technology. He states that it was originally about the physical access and making the home accessible, and the technology part was added to it. He continues that the ultimate step will be to show that the installation of technology into the home will reduce expenses in terms of staff time, and if it is a justifiable expense under Medicaid and then becomes a win-win for all the populations that are being worked with.

MR. SCHELLER adds that his mother lives in Florida and remains independent. She wears a bracelet that will turn her stove off if she leaves for more than ten minutes from the stove. She is also reminded to take her meds by another piece of equipment. He continues that he is informed by his computer that she has opened the med case, and something has been removed from it. He states that looking at it as a way of increasing independence makes it a powerful opportunity.

CHAIR MICHAEL states her appreciation, and adds that it was very informative. She moves to the CEO update.

## **CEO UPDATE**

MR. ABBOTT states that this is his first chance to speak to all and deliver the CEO report. He continues that he has been on the job for a little over two weeks and there is plenty to talk about. He begins with the clean set of charters. There are no substantive changes, and we are working with these as the final documents. They are also on the web. He moves to a short update on the ongoing special legislative audit. Staff has been working on several requests from the auditors. That information in response to their questions was sent last week, and there will be more coming. He continues that he spoke with the legislative auditor, Kris Curtis, and she stated that the audit will not be finished as soon as had been hoped. They now believe that the audit will be completed and delivered to the Legislature in March. He reports that steps have been taken to further integrate the communications efforts that have historically been separated between the Trust Land Office and the Trust Authority Office. Carley Lawrence will be actively supporting both teams going forward. Concrete examples should be a consolidated web page, annual report, and a coordinated and single social media presence for the entire Trust. He continues that they will be talking about whether there are enough resources to fully support both teams going forward in the coming months. He adds that the trustees should expect that the Trust will speak with a single voice on all issues. He thanks Trustees Michael and Cooke for joining the staff in Fairbanks last week. It was a great trip to help open the new sobering center that Tanana Chiefs Conference has started on a piece of Trust property. The Denardo building has been put into use as a facility that will support beneficiaries and the community generally. He adds that it was a great event and was actively supported by the mayor of the City of Fairbanks and a variety of community leaders. The opportunity was taken to get a tour of Fairbanks with another indication of the consolidated effort. He asks Mr. Menefee to give an update on the Southeast land exchange, the Constantine mine, and recent land sale activity.

TRUSTEE COOKE asks if the trustees will have an opportunity to respond to the audit report before it is finalized.

MR. ABBOTT replies yes. That process will start in late January, early February.

MR. MENEFEE began with the fall statewide land sale, which brought in approximately \$980,000. Some of that may increase the revenues as some may be paid over time. He moves to the parcels on the Spit in Homer. The best-interest decision has been sent out, and Homer also had their initial meeting on the ordinance. There will be one more meeting at the end of the month to approve it, which will complete that sale. He moves to the project in Haines which is a mineral project called the Palmer Project. Currently, the potential purchasing out of federal claims is being evaluated. The issue here is to try to increase revenues. He continues that staff is working with AIDEA as a joint partner to potentially see if they are interested in purchasing that. He moves to the U.S. Forest Service. He states that there was a meeting Monday with long negotiations about reducing costs around the posting and blazing issue and probably reduce their request by over half in length, which will reduce costs on that round. He adds, that is not a complete win in that some concessions had to be made, but it was still a reasonable outcome. He continues to the meetings in Cordova and Yakutat about the Icy Cape project, which were successful.

MR. ABBOTT asks Kelda Barstad, the newest program officer, to talk about the Medicaid Innovator Accelerator.

MS. BARSTAD begins with a short summary of her resume, and states that she is very excited with the opportunity working with the Trust. She states that the Innovation Accelerator program is established by the federal Medicare and Medicaid programs. It was started to look at innovative processes across states for a better Medicaid system. There are a variety of different programs established. The State of Alaska is participating in the one that has to do with pairing Medicaid services with housing. The housing and Medicaid systems traditionally have not worked closely together. There is the more recent recognition that housing is considered a healthcare intervention. In looking for good health outcomes, people must have stable housing. She continues that this is an opportunity for different states, including Alaska, to start to formally create partnerships between the housing agencies and the Medicaid agencies. She adds that a two-day workshop was completed with representatives from the Department of Health and Social Services, Alaska Housing Finance Corporation and those who provide housing and homeless services across the state, along with other service providers. This was an opportunity for people to get together and develop a goal to support tenancy for Medicaid recipients who need that housing. The goal established for Alaska is that in three years, through sustainable private and public partnerships, a pipeline will be established to provide permanent supportive housing for an additional 250 people who are most at risk. She states that this innovation program will establish formal partnerships; an action plan will be developed, as well as a services crosswalk; and a housing stock plan. She continues that all the different things are tools that the state can use to create better housing stock to make sure that services gaps are being filled so people can be supported in permanent supported housing.

CHAIR MICHAEL states that one of the challenges is figuring out the financing for these projects so that rents can be kept at an affordable rate for people.

MS. DANIELLO states that a few years ago the Governor's office kicked off the focus on housing. There were all kinds of components for that: rural housing; housing for people with disabilities; housing for seniors. She asks if there has been any collaboration with all those agencies that included the senior housing office with AHFC and Commission on Aging, and any others to be a part of this effort.

MS. BARSTAD replied yes, the Governor's office was represented and there was discussion about how those two groups should work together.

MR. ABBOTT states that he was in Juneau for several meetings and had the opportunity to talk to Pat Pitney, the OMB director, in a frank and open exchange of views on budgeting for the Trust, especially the administrative budgets, which are legislatively appropriated. The trustees have approved the proposed budgets which had been submitted after the September meetings. He continues that his expectation is that on December 15, when the Governor submits his proposed FY19 budget to the Legislature, it will include reductions to the Trust's administrative programs. He relates more of what was discussed. He moves on and states a timely and quick progress on the development of a lease for a portion of the Whittier Street building is being made. Juneau wants to put that into a warming center function for the winter of '17-'18. The lease is expected to be executed in the next week or so, making it possible to open December 1. He believes that the plan is to contract with Glory Hole to do the staffing of the warming center. The conversations on other Juneau properties did not go as well. The City and Borough of Juneau continues to believe that the Trust decision not to immediately sell the Subport property to a specific proposer is a bad choice. He communicated to them that because of the uncertainty over what is allowed on the proceeds from that sale, it would not be prudent for the Trust to execute a sale at this time. He moves back to the charters and officially requests the consent of the trustees in the appointment of Wyn Menefee as the executive director of the Trust Land Office. The charter for the chief executive officer requests that be done, and he strongly recommends it.

TRUSTEE SELBY makes a motion that the board concur in the appointment of Wyn Menefee as the executive director of Trust Land Office.

TRUSTEE JONES seconds.

A discussion ensues.

*There being no objection, the motion is approved.*

MR. WILLIAMS discussed the visit to Juneau, the warming center, and the Whittier property. Over the last several months the talk has been about how the Trust Land Office and the Trust Authority Office can work together with the communities to try and move forward the noncash assets, getting the properties in the plan to, when appropriate, move forward and merge with the beneficiary issues. He states that has been done in several different ways: the Housing First

model where the trustees acted to provide some funding for a homeless and housing coordinator, and now the Whittier building. He continues to highlight the two offices through staff are all working together in helping a community with an identified need come up with a solution where the Trust is an active participant in the solution as well.

CHAIR MICHAEL commends Mr. Williams and Mr. Menefee for their cooperation, leadership and commitment, and she thanks them. She states that their leadership was apparent in Fairbanks. She commended the staff on their efforts to get the whole program together.

TRUSTEE SELBY also commends the new CEO, as well as the senior staff, for figuring out the communications business and following the board's instruction on the perception in the state of Alaska of having one Trust. This is a significant statement for this organization to be moving ahead with that.

CHAIR MICHAEL appreciates the comments and states that it is a significant step even though it is just being commented on today. She moves to the committee reports beginning with the Finance Committee report.

## **FINANCE COMMITTEE REPORT**

TRUSTEE SELBY begins with a deposit to the Permanent Fund.

TRUSTEE SELBY makes a motion, on behalf of the Finance Committee, that the board of trustees approve the transfer of \$5 million in cash principal from the Trust Authority Development Account, 3320, to the Alaska Permanent Fund Corporation account through November 2018.

TRUSTEE JONES seconds.

TRUSTEE SELBY explains that staff was asked to go back and check some figures because some questions have come up. That was done, and there is a little over \$24 million in the TADA funds that are available. Staff showed the commitments and anticipated obligations that are going to take at least \$14 million of that, which would leave about \$8.3 million. The Finance Committee discussed this and decided to make a significant deposit of that money which will leave about \$3.3 million in a contingency for unforeseen things that may come up during the year.

TRUSTEE JONES states that he thinks this indicates confidence in the Permanent Fund and their ability to continue to manage Trust cash assets. This deposit is very appropriate.

CHAIR MICHAEL asks for any objections.

*There being no objection, the motion is approved.*

TRUSTEE SELBY states that there was a discussion about the \$5 million that was shown on the budget report that was reviewed at the last meeting in terms of inflation-proofing of the funds in the Permanent Fund. He asks Mr. Stemp to continue.

MR. STEMPEL states that he was asked to go back and revisit the calculations previously presented to the trustees, and to consider the impacts of the most recent year's inflation-published data using the Consumer Price Index for Anchorage. There was a lot of thought and discussion on this topic because there are some elements there where it becomes difficult to come to the trustees with a single number for the impact. He goes through some subtleties that are important to look at. He continues that using the information that is published and the resources available when this calculation was developed is an informational item for consideration.

TRUSTEE SELBY explains that the question Trustee Derr had brought up was clearing that \$5 million as an inflation-proofing reserve in the budget report and what does that really mean. He states that there is no action here, but we can go ahead and discuss the significant amounts of other reserves.

TRUSTEE COOKE states that this would be appropriate to discuss at the January meeting in Juneau with the Permanent Fund folks.

CHAIR MICHAEL thanks Trustee Selby and calls a short break.

(Break.)

CHAIR MICHAEL calls the meeting back to order.

MR. MENEFEE introduces the newest staff member, Becky Chandler, executive assistant.

## **FY18 APPROVALS**

CHAIR MICHAEL welcomes Ms. Chandler and moves to the FY18 approvals. The first is a focus area allocation, beneficiary employment and engagement, HCBS contract support.

TRUSTEE SELBY makes a motion that the Full Board of Trustees approve \$200,000 from FY18 beneficiary employment and engagement focus area for 2018-'19 contractual services to support the Trust and SDS for implementing SB74 and CMS rules as it relates to the long-term services and supports.

TRUSTEE JONES seconds.

MS. BALDWIN-JOHNSON states that this request was brought forward at the last Finance Committee meeting. This is the second year of a three-year contract with Home- and Community-Based Strategies. It is a sole-source contract, and the first year is winding down. This is an approval for the second year of funding for that contract. At the last meeting it was brought up that this contract is supporting elements of Medicaid reform as it relates to home- and community-based services, and Trustee Derr had requested more detail connected to the scope of

the contract. She clarifies that it is 100 percent of these funds for contractual services to the recommendation.

CHAIR MICHAEL asks for any objections.

*There being no objection, the motion is approved.*

CHAIR MICHAEL states that the next item is the Juneau Trauma Informed School pilot project.

TRUSTEE SELBY makes a motion that the Full Board of Trustees approve using \$40,000 in DHSS funding for authority grant to the Juneau Community Foundation for the Trauma Informed School Pilot Project.

TRUSTEE JONES seconds.

MS. JOHNSON states that the funding request is to use pass-through funding from the Department of Health and Social Services, Division of Behavioral Health to support contract and capital costs to implement a two-year pilot to include student health and practice using trauma-informed practice in the school setting in Juneau schools. The funding will be pooled with other funding from the Trust, the Juneau School District, the Mental Health Board, the Juneau Community Foundation, and others, and will contract with Washington State University to support trauma-informed school development. Additional funding is anticipated from the Rasmuson Foundation and Premera. She continues that this contract will support the CLEAR model, which stands for a Collaborative Learning for Educational Achievement and Resilience, to community needs of Alaska students. She adds that lessons from the pilot will be diffused throughout the district throughout the project period during the three years, and funding for sustainability and spread is developed as positive outcomes for students in schools.

A brief discussion and clarification of the funding ensues.

*There being no objection, the motion is approved.*

## **TRUST FINANCIAL PICTURE 101**

CHAIR MICHAEL states that next is the Trust financial picture, and asks Mr. Stemp to begin.

MR. STEMPE begins his presentation stating that there are about seven categories to the Trust that he will talk about. There two dominant legs: the settlement land position, and the portfolio at Permanent Fund. Then, the real estate management program; the reserves at Alaska Permanent Fund, the Department of Revenue and the treasury side of things, and the Program-Related Investments and the Trust Development Account. He goes through his presentation, explaining as he goes along. He talks about the Trust portfolio which he considers cash assets, and the lands are noncash assets. They are equally important to the future of the Trust and the people served.

TRUSTEE SELBY states that a study was done that recommended four years of programmatic operations in reserve so that if there is a shortage of earnings the same level of beneficiary programs would continue to deliver services. He asks for more information on that.

MR. STEMPEL explains that the concept of the reserves is to have some independence and ability to sustain a stable level of funding year after year. That would give the time to ride out any underlying market performance if things were in a downturn. The reserves could be looked at to fill in any earnings shortfall and continue the stability.

A discussion ensues.

TRUSTEE JONES states that he is impressed at how quickly Mr. Stempel has come up to speed in understanding the complex structure of the Trust finances.

TRUSTEE COOKE states appreciation for the presentation.

MR. MENEFEE continues and states that it is a challenge to put a value on the land. During the settlement and replacement land effort there was a valuation process, but it was not a full-out appraisal of the land. He adds that even when looking at the GASB accounting principles, it is challenging because there is an arbitrary figure that goes on a per-acre amount. It would also be very expensive.

TRUSTEE EASLEY asks about the Program-Related Investments and if there is any kind of formula that helps balance that out to see what is a good PRI balanced project.

MR. O'QUINN replies that in the past the operating cost of an existing asset was looked at to see how the costs can be eliminated first. He states that he would work with the program office to determine the biggest impact to beneficiaries.

MR. MENEFEE gives an overview and then takes the trustees through more detail on the Trust Land Office side revenues. He focuses on the real estate management program, stating that the goal is to increase, over time, the amount of income that comes from the Trust Land Office; specifically, the spendable income in addition to principal.

A discussion on the revenues ensues.

MR. MENEFEE states that the land is managed in a few different ways, but primarily either proactively or reactively. Reactive is waiting for an application that somebody brings in for the land. Proactive is going out and doing something to improve the parcel by improving its value, and then market it to sell or lease. He continues that there are seven asset classes: the land; minerals and materials; the forestry asset; investments; program-related real estate; energy; and mitigation market. He explains these in greater detail, and then discusses the investments and real estate.

CHAIR MICHAEL asks for any questions.

TRUSTEE JONES states, for the record, that obtaining financing has been a subject of a lot of questions from external parties. He asks for an explanation of what the benefit of that is, and under what very specific conditions that would be considered.

MR. MENEFEE explains that, essentially, the amount of investment is being diminished, so the cost/benefit ratio of the amount of actual Trust money that is being spent is evaluated to the amount of income coming back increases when the bank essentially is carrying part of the investment. He states that the risk is that you will not go into debt to the bank. It is as if the tenants are paying the bank loan back. Then the cost/benefit ratio increases favorably because there was less invested for the same amount of return.

MR. DRIVER adds that there would be the risk mitigation of multiple markets or multiple properties in the spread; more money over more properties than could be received by putting it all into one property, paying cash. The risk is further mitigated by the fact that these are nonrecourse loans. If everything goes haywire and the property does not perform, those loans do not impact the overall Trust. The only thing at risk would be the principal that was invested in those properties. In looking at the current returns, some of them have been paid back in full over the course of the ownership period, and the income has been given to the Trust. He points out that great lengths are gone through to value the properties on an annual basis. That is done for accounting purposes, as well as reporting purposes. The information is highlighted in the annual report, as well as the quarterly reports. Those figures are broken out very detailed and can be incorporated into any presentations that are given at the Legislature or any other venue.

CHAIR MICHAEL asks Mr. Driver to review how oversight is provided to the property managers who manage Trust properties.

MR. DRIVER replies that a high level of oversight on the daily operations of the parcels or the properties is maintained. These properties are located in Alaska, Utah, Texas, and Washington. During the course of those internal audit procedures, which include review, a sampling of invoices, others are also implemented. A lot of time and effort is spent maintaining those relationships, maintaining the properties, and protecting the value of those properties.

CHAIR MICHAEL thanks Mr. Menefee and moves to the ad hoc Trust statutes presentation. She recognizes Trustee Jones.

### **AD HOC TRUSTEE STATUTES PRESENTATION**

TRUSTEE JONES states that during the committee meetings, in accordance with the bylaws, the Chair created a new ad hoc or temporary legislative and audit committee, and asked him to chair it. The membership includes Chair Michael, Trustee Derr and himself. The purpose of the committee is to, on behalf of the board of trustees, work with the staff and the LB&A staff to bring about the current ongoing legislative audit to an early and successful conclusion, and to work with the Trust staff and the Legislature to craft legislation that will clarify and strengthen the Trust responsibilities and standards with respect to applying Trust management against principal assets. The committee met to assess its mission and work on a plan of action. As a result, the staff is working on the reports now for the status of the audit. He continues that he has

great confidence that the senior staff group, from both the Trust and the TLO, has a good handle on where we are with the audit, and has developed a relationship with the LB&A staff that will be beneficial to the Trust. He adds that the Legislature is going to do what they want, and the Trust needs to be prepared for that process. The intent is to provide the Legislature with information, guidance, statistics, whatever is needed to make sure that there is a clear understanding of the processes that were just described. Acknowledged was that the current statutes are less than clear on how many of the activities are to be funded, and we believe that the very direct and overriding responsibilities of the Trust laid out in statutes require the protection and growth of the corpus of the Trust. He states that, in order to do this, it is in the best interest of the beneficiaries and the Trust to amend the statutes to make it clear that the Trust is expected to pursue activities that stabilize the income, grow the corpus, and provide security in the value of the corpus.

TRUSTEE JONES makes a motion that the trustees direct the CEO to work with the legislative and audit committee to take steps immediately to work on statutory changes to: Clarify the board's authority to utilize Trust assets and the proceeds derived from those assets in the best interests of the beneficiaries; maintain the Trust Authority to follow the prudent investment principles to generate maximum revenue consistent with appropriate risk management practices; strengthen guidance to both the Trust and the Trust Land Office on allowable revenue-generating strategies; consult with the Trust's statutory advisory boards and departmental advisers to determine strategies that maximize positive impacts affecting the mission of the Trust from asset management and investment activities.

TRUSTEE SELBY seconds.

MR. ABBOTT strongly recommends approval of this motion. He states that there is significant legislative interest in working on this issue sooner than later.

*There being no objection, the motion is approved.*

CHAIR MICHAEL breaks for lunch.

(Lunch break.)

CHAIR MICHAEL welcomes everyone back and states that Natasha Pineda is here to talk about the healthcare authority.

## **HEALTH CARE AUTHORITY**

MS. PINEDA states that she works with the Department of Administration and is the deputy health official with the Division of Retirement and Benefits. She continues that legislation was passed in 2006, SB 74, which included a provision that required the Department of Administration to procure a study about the feasibility of a healthcare authority. She goes through a list of the different things that were required to be looked at. It was a very large task in that the legislation laid out a requirement to not only look at the lives and dollars being spent on the Medicaid program, but also all public employees included in the state: the retirees;

employees in other health trusts; ASEA; PSEA; Master, Mates and Pilots, Local 71; and every union health trust. Also required were the University, local municipalities, the school districts, and any other entity that might be able to participate through a government-managed healthcare authority. She continues that the goal was to look and see if there was an opportunity to create savings through efficiencies. The study was broken down into two avenues: one was consolidate purchasing which left the administration the same; and the other was consolidating administration, which requires a lot of change. She adds that the study was challenging for several reasons. The biggest issue is that most people are looking for an easy fix for healthcare, and there is no easy fix or simple solution. She states that there is no definition for what a healthcare authority is. So just that definition is pretty challenging, and also the magnitude of the covered lives and dollars contemplated by the study. She continues that she was not part of the development of the RFP, but shares that once the legislation passed and an interdepartmental team was formed, regular meetings began. There was a lot of support and guidance from all of the participating entities in the review of drafts, the selection of consultants and all of that. She states that there are four contractors for the study: PRM Consulting was first and was the entity that focused most on the employer benefits portion; next was Mark Foster from Mark Foster Associates provided peer review and Alaska-specific market analysis prior to any drafts going out; then, Pacific Health Policy Group Consulting came on to provide some basic information and overview of opportunities within the Medicaid program; fourth is Agnew::Beck. There is a public comment process, and Agnew::Beck is helping put together an addendum that should be released in four weeks. She adds that public comment was extended to November 13. A final report is expected during the first two weeks of December. She continues her slide presentation, explaining the costs of care as she went along. She states that next year as more work continues around health care there will be a need to increase the health literacy levels. She goes over the report, beginning with the survey with 227 entities around the state. This survey took somewhere between two to five hours, depending on the complexity of the benefits offered. They were able to get 84 percent of benefit-eligible employees to participate. It was a good survey which provided excellent information that was used to conduct the actuarial analysis necessary for the contractor to make some recommendations. She explains that actuarial value is, essentially, the amount the plan will pay versus the amount the individual will pay. She states that purchasing consolidation does exist across different public employee health plans. She continues that the recommendation PRM focused on was Oregon's Model No. 2 which seemed the most beneficial because they require public employees and teachers to participate. She adds that the recommendation is for a health authority with three pools: one for state retirees; one for school districts; and one that includes the state union health trusts and other political subdivisions. Mandatory participation was recommended using rates equal to the current rates. She states that the Mark Foster report takes the conservative estimates of PRM and amps them up and says "what if things are actually changed." He also recommended a healthcare authority with the difference being that there should be an opt-out option with strict rules if an entity could purchase a better plan deal and could do a better job. The Pacific Health Policy Group looked at the data to provide an overview of the Medicaid program with the data book information that is available. They took the data and consolidated it; identified information; and that enrollment was growing rapidly. They provided three ideas about how a structure could move forward. One could be informal interdepartmental collaboration; more formal requirements about how to purchase and work together; and third was a more formal consolidated healthcare authority. She states that all the healthcare plans are administered by a commissioner. The strategic positions

are going to shift and change over time, and having the authority where there is some separation between political decision-making and the needs of employees would be ideal. She thanks the Trust for providing public comment, and urges the continued participation in the comprehensive healthcare planning that is underway.

A question-and-answer discussion ensued.

CHAIR MICHAEL thanks Ms. Pineda and states that the next item on the agenda is the Program & Planning Committee report.

## **PROGRAM & PLANNING COMMITTEE REPORT**

MR. BALDWIN begins with an update on the activities around FAS and FASD. The Trust has supported a lot of activities, as well as participated with many of the key partners on regulations and systems- and policy-related things. He highlights two of the Trust's partners, beginning with the Governor's Council. He states that they have been a big partner with their FASD working group. He continues that the Alaska Mental Health Board has also been a key partner in some of these activities through the work of Teri Tibbett and the Alaska FASD partnership. He adds that it is exciting to see that the focus on FAS is becoming more active and resurgent in the interest and advocacy around it. He states that the Governor's Council is working on developing a five-year plan for FASD. They have been gathering information and input and have brought a number of key stakeholders together to develop a plan that is currently in process.

MR. REINHART adds that it is in the editorial stage, and there should be a final product pretty soon.

MR. BALDWIN states that will be shared when complete. He continues that another activity is related to the Division of Behavioral Health. They help coordinate the FASD diagnostic teams and have some money that helps coordinate those activities, as well as some interventions and prevention. He adds that recently the staff at DBH that were connected with FASD got brought into the newly developed Office of Substance Misuse and Prevention, the House Map. More will be heard about that down the road. They are focused on the opioid epidemic and thought it was important to also pull together some other substance- and alcohol-related kinds of prevention activities. He states that prevention is very important; the five-year plan and the new interest with DBH or the House Map program are very interested in delving more deeply into prevention activity. Another exciting piece about the House Map is that, since 2001, there have been diagnostic teams around the state. Currently, there are seven who are actively presenting and are in the process of doing data archeology and pulling together information. There will be better prevalence information. Presently, the prevalence information is a tad dated for a variety of reasons, and the closest program is PRAMS, which is a health participation with the CDC. They survey a sample of women who deliver live births and are asked questions about prenatal alcohol exposure. He goes through the survey, explaining as he goes along. He mentions the Alaska Center for FASD, a nonprofit entity to help coordinate a lot of the statewide efforts around FASD, and asks Carley Lawrence to continue.

MS. LAWRENCE gives a brief overview of the Empowering Hope group, which has a two-prong approach. One was the pregnancy dispenser kit study, which was concluded two years ago. There is information in the packet about the results. The other approach was the media campaign to increase awareness and understanding of FASD. That money was distributed through the Legislature, and the trustees have seen the materials produced. She states that one of the things found in the planning of the media campaign was the misconceptions of Alaska women with regards to the use of alcohol during pregnancy. The three main misconceptions were the types of alcohol that were considered safe, the times during pregnancy when alcohol is considered safe or safer, and then the amount of alcohol that is considered safe. She continues that a goal was developed to help dispel these misperceptions around FASDs and educate women that there is no safe amount, no safe time, and there is no safe type of alcohol to use during pregnancy. In the last two years, throughout the campaign, a long-format video was developed and shared with the Trust and the Senate Finance Committee. She adds that also developed was a lot of Web site content, Facebook, digital ads, television spots, and radio public service announcements that were distributed throughout the state. She states that this past spring and summer, after the conclusion of the media, more focus groups were conducted providing qualitative and quantitative research to better understand the results of the campaign. The findings from the focus groups were that a majority of the women had seen the messages on the dangers of drinking while pregnant. But participants also expressed an ongoing interest in seeing and learning more. The long-form video received over 85,000 views; 60,000 Alaskans acted on social media and shared it. The impressions were that over a million Alaskans saw the ads, and there were over 4,000 clicks on the Web site. The quantitative results showed that the misconceptions are still out there, and there is still lot of education to be done. She states that in moving forward, the media placement of the existing ads will continue. We are going to expand social media to include Instagram, which a lot of the target audience uses.

CHAIR MICHAEL asks for any questions. She thanks Ms. Lawrence and states that it is good to see that there is some benefit to people seeing the information and that it is impacting how they feel about it. It is a huge issue because it is 100 percent preventable. She hopes that it will resonate with people. She asks for any other comments or questions. There being none, she calls a 15-minute break.

(Break.)

CHAIR MICHAEL calls the meeting back to order, and recognizes Denise Daniello.

## **STATUTORY ADVISOR UPDATES**

MS. DANIELLO states that she is the executive director for the Alaska Commission on Aging. She continues that it is her pleasure to let all know that Governor Walker has recognized November 2017 as Alzheimer's Disease Awareness Month, and there is also a caregiver's month. She adds that her presentation will focus on the preliminary findings for 2016 of the Alaska Behavioral Risk Factor Survey perceived cognitive impairment; and, to some extent, comparing these findings with the findings that were gathered in 2013, which was the first year that Alaska had the findings for perceived cognitive impairment. She continues that these findings are important because they provide Alaska-specific data about people who experience

increasing memory loss and confusion, which is defined as perceived cognitive impairment. These findings also address one of the recommendations from Alaska's road map to address Alzheimer's disease and related dementia, which is Alaska's first and only state plan to address the needs of people living with dementia. She thanks the Trust for being a partner on the road map project, as well as the BRFSS PCI project. She states that one of those recommendations is to gather health outcome data for people with cognitive impairment to find out what their needs are. She takes a few minutes to review the estimates of Alaskans with Alzheimer's disease, which were developed by the National Alzheimer's Association. They develop estimates specific for each state. These estimates are for people age 65 and older. She continues that advanced age is the greatest risk factor for developing Alzheimer's disease, but Alzheimer's disease is not a normal part of aging. There are actually many risk factors having to do with cardiovascular health, traumatic brain injury, living with diabetes, prolonged depression, hearing loss, social isolation, low socioeconomic status. She adds that Alaska is the state with the fastest-growing senior population, and now also holds the distinction of being the state with the fastest growing projected percentage prevalence of Alzheimer's disease, 54.9 percent. She moves on to the Behavioral Risk Factor Surveillance System or the BRFSS. It is basically a system of health-related surveillance surveys that are done by phone and used to collect information from all residents in the U.S. about their health-perceived behaviors, about their chronic health conditions, and their use of preventative services. This system was established in 1984 and currently collects about 400,000 interviews. She adds that this information is all self-reported data and not intended to be any kind of assessment. It is used to gather information from individuals about the leading causes of death. She continues that a core set of questions are asked every year or every other year. She talks about the perceived cognitive impairment module, which is an optional model. The purpose of this is to find out how this condition of increasing memory loss and confusion affects people, and also provides a means to assess the current or future needs of people with this condition, and to provide data in order to help initiate activities to promote healthy behaviors. She goes through the numbers for 2016 and 2013; and then moves to the list of six questions that are part of this module, in greater detail. She continues her presentation, explaining as she goes along .

A short question-and-answer period ensues.

MS. DANIELLO mentions that, this year the Division of Public Health is implementing the caregiver module. This was done at the Commission on Aging's request and with support from the Trust and the National Alzheimer's Association to see what kind of care natural caregivers are providing for their families and loved ones. The purpose of this is to understand what the needs of caregivers are and how it affects them emotionally, physically, financially, and especially with regards to their own health outcomes. She wraps up with some information about activities being worked on. The senior benefits listening session that was sponsored by the House Health and Social Services Committee was on September 28. It was held as an interim measure in preparation for House Bill 236, which is the senior benefits bill to extend the authorization date for the senior benefits program because there is no legislation to extend the sunset. The senior benefits will go away on June 30, 2018. There was a great outpouring of testifiers who came and shared their stories. She explains this in more detail, and then talks about the challenges of finding healthcare providers who would accept their Medicare insurance because of the low reimbursement rates. She moves to the comments about the proposed

healthcare authority. She states that their recommendations were made within the context of State of Alaska retirees, and agreed with the benefits of consolidating purchasing agreements and planning for the health care authority. Also recommended was that the healthcare authority look at implementing comprehensive health and wellness services as part of the insurance for employees. She continues that something that was not covered in any of the studies was that there should be attention paid to modernizing the state's long-term care insurance plan. Also recommended in the comments was that the new healthcare Retiree Advisory Board is looking for applications from people who want to serve on the retiree advisory boards until December 1. She adds that their meeting is scheduled for Tuesday, December 12<sup>th</sup>, and invites all to the meeting.

CHAIR MICHAEL thanks Ms. Daniello and asks for any questions. Hearing none, she recognizes Patrick Reinhart.

### **GOVERNOR'S COUNCIL ON DISABILITIES AND SPECIAL EDUCATION**

MR. REINHART states that he is executive director of Governor's Council on Disabilities and Special Education and introduces Kristin Vandagriff, their planner. He shares that they have 25 council members from all over the state. There is also one vacancy, which the Governor is about to fill. He adds that the next council meeting is January 30-February 1 in Juneau, and invites any trustee to participate in that meeting. He briefly talks about a state plan booklet which, hopefully, will be done by January.

MS. VANDAGRIFF states that there are five main goals of the current state five-year plan, and we are currently in the second year of that plan. She thanks the Trust for their support of the handbook; it made a difference. She moves on and talks about the outcome survey. She continues on to the third annual Disability and Aging Summit which had a strong focus on supported decision-making. The keynote was Dr. Shogren. There was a huge spike in attendance compared to the previous two years. She continued on with a quick update of the Developmental Disabilities Committee and the state plan amendment that was approved by the Administration of Community Living. It is moving forward. She adds that they are trying to get out to a lot of different agencies to make sure they really understand the key concepts of supported decision-making because it is a different concept in Alaska where we have full guardianship. She states that the Developmental Facility Committee is to work the IDEA registry. Currently, there are 724 people on that registry, 300 of which are going to be offered the possibility of the individualized support waiver. She talks about employment and continuing forward with Project Search Expansion. She goes through the handbook and encourages folks to take a look at that.

MR. REINHART moves to the Education Committee update stating that it is the state employment advisory panel. There have been some good conversations going on with the Department of Education and with Commissioner Johnson, developing a good relationship there. He mentions that Commissioner Johnson invited David Kohler to be part of the statewide leadership team, which meets once a month. He states that the FASD work group had an FASD awareness event in Anchorage. The proclamation was read at the library by Kevin Meyer. He continues that the Early Intervention Committee oversees the infant ladder program through

the advisory board. There is this universal screening developmental task force which is a big effort. Then, the Autism ad hoc update has the ECHO program going on. It is like a realtime multidisciplinary virtual learning network of healthcare providers who get together on a regular basis via the contact Zoom platform. He adds that there are now two pediatric neurodevelopmental specialists in Alaska: one at Providence, and one at Southcentral Foundation. He states that a lot of emphasis and energy has been put into the regulations around Applied Behavioral Analysis. It has been a multi-year effort to get the ABA covered by Medicaid. Those went out from public comment with a lot of issues and concerns about failing the first eligibility requirement that the department put forward, that any other treatment had to fail before availing ABA. There were no codes for professionally required supervision, which is a requirement of behavior analysts. He states that these were some things that were shared by multiple entities, and now we are waiting for what comes out after that.

CHAIR MICHAEL asks for any questions. There being none, she thanks them and recognizes Patrick Sidmore, the interim executive director.

### **ALASKA MENTAL HEALTH BOARD AND ABADA**

MR. SIDMORE states that they have been through the second round of interviews and are now checking references for a new executive director. He talks about brain stress, trauma and adverse childhood experiences. He continues that with PET scan pictures, the new technology, brain trauma can actually be seen. He adds that the brain is being built through life and it is important to know that the wiring of the brain can be changed at any point, although it does get harder. It is a huge strength to humans to be able to adapt to their environment. He moves on to stress and states that first is positive stress, which helps people perform. The next level is tolerable stress, and then there is the toxic level of stress. This is when a child or adult is exposed to perpetual stress. The natural reaction in the body changes the way the brain is wired and changes the stress response. He continues that after a stressful experience there is a need to get back to a balance. He talks about the different ways that can be done, and then continues with the original ACEs study. He focuses on the adverse childhood experiences scores and talks about the stress of being born to a home where there are adverse experiences, toxic levels of stress, which leads to neurobiological changes. This leads to a different ability to judge danger than a child who has not experienced ACEs. That is adaptive and a huge strength for them to be able to have because that is what kept them alive. He continues that the more adverse the childhood experiences, the more stress, the more likely it is that they attempted suicide. He goes through some of the Alaska data on adult responses and then talks about some population attributable risks from Alaskan adults or Alaskan children or from other adult studies that show the population-attributable risk. He then moves to some mental health scores, and shows some population-attributable risks from Alaskan adults or Alaskan children or from other adult studies that show the population attributable risk. He states that there is more research coming out about dementia and adverse childhood experiences, and the thought is that it is related to inflammation that occurs as a result of emotional trauma. He talks about the Duke study that self-regulation serves as a foundation of lifelong functioning. It can be learned, and is about managing emotions and cognition. He continues that co-regulation is essential to how we manage and develop the skills to self-regulate. This can also be taught. He hands out ACE cards. There is a factoid on them on the Web site. He states that James Heckman, a Nobel-prize-winning economist from

the University of Chicago, studied early intervention and this is his model. The way to read this is to invest prenatally, everything above the line makes money; then there is a payback that is more than what was invested. He adds that at every point around the cycle there are programs and people trying to intervene to break the cycle.

CHAIR MICHAEL asks for any questions, and then calls a 15-minutes recess.

(Break.)

CHAIR MICHAEL calls everyone back to the table and begins the public comment period. She states that there is no one signed up in Anchorage or present for public comment. She asks if there is anyone on-line that would like to give public comment.

TRUSTEE COOKE makes a motion to adjourn the meeting.

TRUSTEE JONES seconds.

*There being no objection, the motion is approved.*

(Alaska Mental Health Trust Authority Full Board meeting adjourned at 4:46 p.m.)

# **Current Trust Bylaws**

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3 ALASKA MENTAL HEALTH TRUST AUTHORITY  
4 BYLAWS  
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7 ARTICLE I  
8 NAME  
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10 The name of this organization is the Alaska Mental Health Trust Authority.  
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12  
13 ARTICLE II  
14 PURPOSE OF THE AUTHORITY  
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16 The Alaska Mental Health Trust Authority acts in the best interest of the beneficiaries  
17 of the trust. It is accountable to:

- 18 (a) Provide for sound governance, fiduciary oversight and direction in achieving the  
19 mission of the Trust Authority;  
20 (b) Ensure an integrated, comprehensive mental health program for the State of Alaska  
21 in partnership with Department of Health and Social Services (DHSS); and  
22 (c) Preserve, protect, and grow the trust corpus and administer trust assets.  
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25 ARTICLE III  
26 BOARD OF TRUSTEE MEMBERSHIP AND TERMS OF OFFICE  
27

28 Section 1. Trust Authority board of trustees composition:

- 29 (a) The Trust Authority shall be governed by its board of trustees.  
30 (b) The Trust Authority board of trustees, hereafter referred to as the board, consists of  
31 seven members appointed by the governor in accordance with AS 47.30.016 and  
32 confirmed by the legislature.  
33

34 Section 2. Term of office, vacancies, and removal:

- 35 (a) The members of the board serve staggered five-year terms. A member shall continue  
36 to serve until the member's successor is appointed and confirmed by the legislature.  
37 (b) A vacancy occurring in the membership of the board shall be filled within 60 days by  
38 appointment of the governor for the unexpired portion of the vacated term.  
39 (c) The governor may remove a member of the board only for cause per AS 47.30.021.  
40 (d) Except for a trustee who has served two consecutive five-year terms, a member of  
41 the board may be reappointed. A member of the board who has served two  
42 consecutive five-year terms is not eligible for reappointment to the board until one  
43 year has intervened as per AS 47.30.021(d).  
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**ARTICLE IV  
BOARD OF TRUSTEE DUTIES**

Section 1: The role of the board is to:

- (a) Set the vision for the organization;
- (b) Set policies for the organization, including adoption of regulations as appropriate under AS 47.30.031;
- (c) Adopt charters that define the role, authority, operating procedures, duties, and responsibilities of the board and standing committees; and
- (d) Approve contractual agreements with advisors as defined in statute and the settlement agreement, specifically Alaska Permanent Fund Corporation (APFC), Department of Natural Resources (DNR), and Statutory Advisory Boards.
- (e) Fulfill the duties listed in AS 37.14.007(b)(1)-(12).

Section 2: The board will conduct business in accordance with AS 47.30.036.

**ARTICLE V  
OFFICERS AND DUTIES**

Section 1. The board, by a majority vote of its membership, shall annually elect a Chair, Vice Chair, and Secretary from its membership.

Section 2. The officers will be elected by a majority vote at the annual budget approval meeting, and officers' terms of office commence upon adjournment of that meeting. Officers' terms of office end effective at adjournment of the meeting in which new officers are elected.

Section 3. Officers may be re-elected to the office in which they serve by vote of the membership of the board as above. The board's intention is to allow board members the opportunity to serve in officer roles in support of ongoing board development. To that end, no member may serve more than 2 consecutive terms in the same office except as provided for by affirmative vote of 5 board members.

Section 4. If the office of the Chair becomes vacant, the Vice Chair succeeds to the office of the Chair and serves until an election held at the next board meeting. The newly elected Chair will serve until the next annual election.

Section 5. Except for the office of Chair, if an office of the board becomes vacant, an election shall be held to fill the vacancy at the next regular meeting following the vacancy. The officer will serve until the next annual election.

Section 6. The duties of the officers shall be as follows:

(a) Chair

- 1. Call all meetings. Preside at all meetings.
- 2. Appoint chairs of committees and committee members.



- 1 3. Serve as ex-officio (voting) member of all committees, but may not
- 2 concurrently serve as board Chair and chair of any standing committee, with
- 3 the exception of the Executive Committee.
- 4 4. Act as primary spokesperson for the board.
- 5 5. Act as one of the official spokespersons for the Trust Authority, together with
- 6 the Chief Executive Officer (CEO), when requested by the Chief
- 7 Communications Officer.

8  
9 (b) Vice Chair

- 10 1. Assist the Chair in the discharge of his/her duties.
- 11 2. Perform the duties of the Chair in the absence or incapacity of the Chair.
- 12 3. Perform other duties as assigned by the board.

13  
14 (c) Secretary

- 15 1. Assume duties of the Chair when Chair and Vice Chair are unavailable.
- 16 2. Perform other duties as assigned by the board.
- 17 3. Assure that the records of board proceedings are maintained in accordance
- 18 with these bylaws and in accordance with AS 37.14.007(b)(2) and the Records
- 19 Management Act (AS 40.21).

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22 ARTICLE VI

23 MEETINGS

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25 Section 1. The board will hold four regular meetings each fiscal year. Committees will meet

26 as necessary to accomplish their responsibilities.

27

28 Section 2. Special or emergency meetings of the board may be held at such time and place

29 as the Chair may order; or upon the written request to the Chair of any four

30 trustees.

31

32 Section 3. Reasonable public notice of board and committee meetings shall be provided in

33 accordance with AS 44.62.310. Meetings of the board and its committees are

34 subject to the Open Meetings Act, AS 44.62.310 and 44.62.312.

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36 Section 4. A quorum at all board meetings shall consist of four board members. A quorum at

37 committee meetings is a majority of the committee's members.

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39 Section 5. No member of the board may designate a proxy.

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41 Section 6. The board will schedule at least one period for public comment during each

42 regularly scheduled board meeting.

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44 Section 7. Formal actions by the board are accomplished through adoption of

45 motions.

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ARTICLE VII  
COMMITTEES OF THE BOARD

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There will be five standing committees of the board. Standing committee chairs and members will be appointed by the Chair after polling the board regarding individual trustee's interest and ability to serve. A member may serve as chair of only one standing committee at any time except as a stand-in until the next regularly scheduled board meeting. Standing committees will have a minimum of 3 committee members. The board chair may designate ad hoc committees to accomplish special purposes. Persons other than board members may serve on the board's ad hoc committees; however, such persons may not be voting members of such committees, only appointed board members may vote on committee actions. Committee recommendations will be reported to the board for action at the next regular board meeting.

Section 1. The Executive Committee of the board is composed of three board officers, the Chair, the Vice Chair, and the Secretary. The Executive Committee will:

- (a) Ensure development of policies for governing the Trust Authority for approval by the board.
- (b) Oversee implementation of governance policies at the direction of and on behalf of the board in accordance with law and the committee charter adopted by the board.
- (c) The Executive Committee will meet only as needed.

Section 2. The Resource Management Committee will, in consultation with the CEO and Executive Director (ED) of the TLO:

- (a) Ensure development of policies for protecting, enhancing, and managing the trust's non-cash resources in the best interests of the beneficiaries for approval by the board.
- (b) Oversee implementation of plans at the direction of and on behalf of the board in accordance with law and the committee charter adopted by the board.

Section 3. The Program and Planning Committee will, in consultation with the CEO and Executive Director (ED) of Mental Health Policy and Programs.:

- (a) Ensure development of policies to meet needs and improve the circumstances of beneficiaries; and recommends to the board for approval.
- (b) Oversee implementation of plans at the direction of and on behalf of the board in accordance with Trust Authority statutes and regulations and the committee charter adopted by the board.

Section 4. The Finance Committee will, in consultation with the CEO and Chief Financial Officer (CFO):

- (a) Ensure development of policies for investment and fiscal management for approval by the board.
- (b) Oversee implementation of approved investment and fiscal management policies on behalf of the board in accordance with Trust Authority statutes and regulations and the committee charter adopted by the board.

- 1 Section 5. The Audit and Risk Committee will, in consultation with the CEO and CFO:  
2 (a) Ensure development of policies for managing the annual audit process and  
3 identifying and addressing organizational risk for approval by the board.  
4 (b) Oversee implementation of approved audit and risk management policies on behalf  
5 of the board in accordance with Trust Authority statutes and regulations and the  
6 committee charter adopted by the board.  
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9 ARTICLE VIII  
10 CHIEF EXECUTIVE OFFICER  
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12 Section 1. The board shall select and employ a Chief Executive Officer as provided by law.  
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14 Section 2. The Chief Executive Officer is responsible for day-to-day operations of the Trust  
15 Authority including planning, organizing, coordinating, and directing all activities  
16 necessary to enable the Trust Authority to exercise its powers and duties, and  
17 fulfill the purpose of the Trust Authority. The CEO will operate and conduct the  
18 business and affairs of the Trust Authority according to the statutes, regulations,  
19 bylaws, policies, and charters adopted by the board. The CEO duties and  
20 responsibilities shall be set forth in a CEO Job description to be adopted by the  
21 board.  
22

23 Section 3. The Chief Executive Officer shall oversee administration of the contract with the  
24 Trust Land Office on behalf of the Trust Authority to ensure compliance with  
25 AS 37.14.009(a)(2).  
26  
27

28 Section 4. The board will evaluate the Chief Executive Officer's performance annually in  
29 writing. The board will define the process for conducting annual reviews and  
30 include it in the Board Operations Manual.  
31

32 Section 5. Termination of employment of the Chief Executive Officer is by majority vote of  
33 the board.  
34  
35

36 ARTICLE IX  
37 PARLIAMENTARY AUTHORITY  
38

39 Unless otherwise provided by law or these bylaws, the board's procedures shall be  
40 governed by Robert's Rules of Order Newly Revised. The Chair may appoint an appropriate  
41 person to serve as parliamentarian.  
42  
43

44 ARTICLE X  
45 ETHICS  
46

47 Board members are required to comply with the Alaska Executive Branch Ethics Act  
48 (AS 39.52) and AS 47.30.016(c)(2).



1  
2  
3 ARTICLE XI  
4 AMENDMENT OF BYLAWS  
5

6 These bylaws may be amended at any meeting of the board. Amendment of these  
7 bylaws requires 5 affirmative votes of board members provided that written notice and  
8 copies of the proposed amendment have been submitted to the members 30 days prior to  
9 the meeting, or by unanimous vote without notice.  
10

11  
12 ARTICLE XII  
13 DEFINITIONS  
14

15 In these bylaws,  
16

17 **The Alaska Mental Health Trust** means the sum of all assets owned by the Alaska  
18 Mental Health Trust as established by the Alaska Mental Health Trust Enabling Act, P.L. 84-  
19 830, 70 Stat. 709 (1956) and the Mental Health Settlement Agreement (June 10, 1994),  
20 including cash and non-cash assets.  
21

22 **The Alaska Mental Health Trust Authority (the Trust Authority)** means the entity  
23 charged with administering the trust, as trustee, is governed by a seven-member board. (AS  
24 37.14.007, AS 47.30.011, AS 47.30.016)  
25

26 **The Trust Land Office (TLO)** means the unit of the Alaska Department of Natural  
27 Resources that is charged with managing the trust's natural resources, land, and other fixed  
28 assets. (AS 44.37.050)  
29

30 **Regular Meeting** means a board meeting that is scheduled at the annual budget  
31 meeting to occur during the succeeding year, provided that a regular meeting that is  
32 rescheduled on reasonable notice to the public is still a regular board meeting.  
33

34 **Special Meeting** means any board meeting other than a regular meeting, including  
35 an emergency meeting.  
36

37 **Emergency Meeting** means any board meeting conducted for the purpose of  
38 addressing time sensitive matters that may not be capable of resolution within the statutory  
39 or delegated authority of the Executive Committee or the CEO. If an emergency meeting is  
40 conducted on less than the customary public notice, public notice shall be published as  
41 soon as practicable. If the agenda of an emergency meeting is not available in advance, the  
42 agenda will be published as soon as practicable after the emergency meeting.

  
\_\_\_\_\_  
Mary Jane Michael, Chair

  
\_\_\_\_\_  
Laraine Derr, Secretary

**Advisory Board on  
Alcoholism & Drug  
Abuse /  
Alaska Mental Health  
Board**

**Alaska Mental Health Board /  
Advisory Board on Alcoholism & Drug Abuse Report  
will be distributed at  
the Full Board of Trustee meeting  
on January 24-25, 2018**

# **Governor's Council on Disabilities and Special Education**

**The Governor's Council on Disabilities and  
Special Education Report will be distributed at  
the Full Board of Trustee meeting  
on January 24-25, 2018**

# **Alaska Commission on Aging**

## Alaska Mental Health Trust Authority *FY2019 Budget Analysis and Advocacy Update*



Alaska Commission on Aging  
January 24, 2018  
Denise Daniello, Executive Director

*Aging is not lost youth but a new stage of opportunity and strength. Betty Friedman*

## ACoA Mission Statement



*The mission of the Alaska Commission on Aging is to ensure the dignity and independence of all older Alaskans, and to assist them to lead useful and meaningful lives through planning, advocacy, education, and interagency cooperation.*

## Alaska Commission on Aging Roster

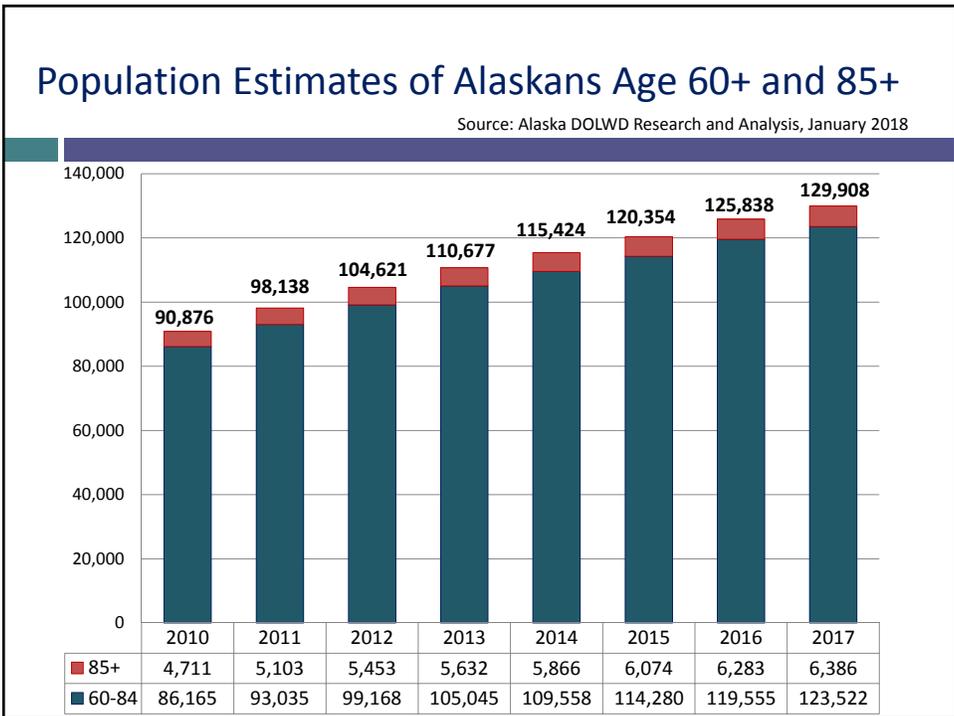
■ David Blacketer, Chair,	Kodiak
■ Marie Darlin, Vice Chair	Juneau
■ Banarsi Lal, Public Member	Fairbanks
■ Mary Shields, Public Member	Anchorage
■ Anna Frank, Public Member	Fairbanks
■ Linda Combs, Public Member	Palmer
■ Gordon Glaser, Public Member	Anchorage
■ Rachel Greenberg, Senior Services Provider	Palmer
■ Duane Mayes, DHSS Designee	Anchorage
■ Katie Abbott, DCCED Designee	Anchorage
■ Bob Sivertsen, Pioneer Home Advisory Board Chair	Ketchikan

## Presentation Overview

- Senior Population 2017 Estimates
- Senior Services FY2019 Budget Summary
- Pending Legislation Affecting Senior Trust Beneficiaries and other Older Alaskans
- ACoA Legislative Advocacy Priorities
- Behavioral Risk Factor Surveillance Survey (BRFSS) Perceived Cognitive Impairment Module 2016 Findings, Alaska and 20-State Composite
- ACoA Updates
- Questions and Discussion

# Senior Population Update

## 2017 Population Estimates



**Budget Overview for Core Senior Programs**

**Governor’s SFY2019 Proposed Budget and  
FFY2018 Pending Federal Appropriations**



**Funding for Senior Programs  
FY2018 Enacted and FY2019 Proposed Governor’s Budget Comparison**

Program	FY2018 Enacted Budget	FY2019 Governor’s Proposed Budget	\$ Change FY2018-FY2019
Senior Community Based Grant Services (Senior and Disabilities Services)	<b>\$16,473.3 Total</b> \$9,815.8 UGF \$300.0 MHTAAR \$6,357.5 Federal	<b>\$16,312.7 Total</b> \$9,815.8 UGF \$300.0 MHTAAR \$6,196.8 Federal	<b>-\$160.6 Total</b> <b>-\$160.6 Federal</b>
Senior Benefits Payment Program (Public Assistance)	<b>\$19,986.1 Total</b> \$19,986.1 UGF \$0 Federal	<b>\$19,986.1 Total</b> \$19,986.1 UGF \$0 Federal	<b>\$0 Change</b>
Medicaid Adult Dental (Medicaid Services)	<b>\$15,650.2 Total</b> \$2,882.6 UGF \$12,767.6 Federal	<b>\$27,004.5 Total</b> \$8,273.6 UGF \$18,730.9 Federal	<b>+\$11,354.3 Total</b> +5,391.0 UGF \$5,963.3 Federal
Medicaid Services (Senior & Disabilities)	<b>\$550,067.2 Total</b> \$238,755.3 GF Match \$13,050.4 GF \$1,068.4 Other \$297,193.1 Federal	<b>\$574,968.7 Total</b> \$240,035.2 GF Match \$13,050.4 GF \$1,068.4 Other \$320,814.7 Federal	<b>+\$24,901.5 Total</b> +\$1,279.9 GF Match +\$23,621.6 Federal

Office of Management & Budget, DHSS Budget Component Detail: June 30, 2017 Enacted FY2018 Budget and December 15, 2017 Proposed FY2019 Governor’s Budget

### Funding for Senior Programs FY2018 Enacted and FY2019 Proposed Governor's Budget Comparison

Program	FY2018 Enacted Budget	Proposed FY2019 Governor's Budget	\$ Change FY2017-FY2018
General Relief/Temporary Assisted Living (Senior & Disabilities Services)	<b>\$7,141.4 Total</b> \$7,141.4 GF	<b>\$7,141.4 Total</b> \$7,141.4 GF	<b>\$0 Change</b>
Pioneer Homes (Alaska Pioneer Homes)	<b>\$62,625.6 Total</b> \$17,926.4 UGF \$17,541.9 DGF \$16,008.8 GF/MH \$10,451.8 Other \$696.7 Federal	<b>\$63,340.2 Total</b> \$16,579.2 UGF \$18,926.4 DGF \$16,132.2 GF/MH \$10,478.1 Other \$1,224.3 Federal	<b>+\$714.6 Total</b> <b>-\$1,347.2 UGF</b> <b>+\$1,384.5 DGF</b> <b>+\$123.4 GF/MH</b> <b>+\$26.3 Other</b> <b>+\$527.6 Federal</b>
Office of Long-Term Care Ombudsman (Department of Revenue, AMHTA)	<b>\$873.4 Total</b> \$463.3 GF/MH \$410.1 Other	<b>\$904.9 Total</b> \$494.8 GF/MH \$410.1 Other	<b>+\$31.5 Total</b> <b>+\$31.5 Total</b>
Senior Citizen Housing Development Program (Alaska Housing Finance Corporation) <b>Capital Budget</b>	<b>\$1,750.0 Total</b> \$1,000.0 GF \$750.0 (Other)	<b>\$2,000.0 Total</b> \$2,000.0 GF	<b>+\$1,000.0 Total</b> <b>+\$1,000.0 GF</b>

Office of Management & Budget, DHSS Budget Component Detail: June 30, 2017 Enacted FY2018 Budget and December 15, 2017 Proposed FY2019 Governor's Budget

### Proposed Federal Funding for Select Aging Programs (Dollars in Millions)

Program	FFY17 Final	FFY18 Administration Request	FY18 House	FY18 Senate
Administration on Community Living (ACL): Congregate Meals	\$450.3	\$447.5	\$450.3	\$450.3
ACL: Home Delivered Meals	\$227.3	\$225.9	\$227.3	\$227.3
ACL: National Family Caregiver Support Program	\$150.5	\$150.0	\$150.5	\$150.5
ACL: Aging and Disability Resource Centers (ADRCs)	\$6.0	\$6.0	\$6.0	\$6.0
ACL: State Health Insurance Assistance Program (SHIP)	\$47.1	\$0	\$0	\$47.1
DOL: Senior Community Service Employment Program	\$400.0	\$0	\$300.0	\$400.0
HHS: Low Income Home Energy	\$3,390	\$0	\$3,390	\$3,390

Source: National Association of States United for Aging and Disabilities, September 8, 2017

### What is the estimated cost to provide community-based support services for seniors?

Programs in FY2017	Number of persons served	Average annual cost per person	Total Costs
Senior Community Based Grants	42,045 (duplicated count)	\$377	\$15,859.0
Personal Care Services (Age 60+)	3,179 (543 with ADRD)	\$18,223	\$57,309.9
Alaskans Living Independently Waiver (Age 65+)	1,355 (733 with ADRD)	\$37,330	\$53,411.4
Senior Residential Services	29	\$20,379	\$591.0
General Relief (Age 60+)	433	\$9,943	\$4,305.1
Alaska Pioneer Homes (December 2017)	Level 1: 65 residents Level 2: 123 residents Level 3: 249 residents		\$57,557,682
<b>Total Cost of Care</b>			<b>\$186,818,024</b>
<b>Total if all seniors eligible for the ALI waiver received services in the nursing home (average annual cost/person \$164,234)</b>			<b>\$222,537,070</b>

Source: Estimated costs based on information provided by Division of Senior & Disabilities Services (October 2017 & January 2018) & the Alaska Pioneer Homes (January 2018)

## Legislative Advocacy Action

### Pending Legislation Affecting Seniors



## Pending Legislation on the Move (as of 1-16-2018)

- HB 236, "Extend Alaska Senior Benefits Payment Program,"  
Rep Scott Kawasaki. Status: Heard and held in House HSS, then FIN
- HB 123, "Disclosure of Health Care Costs," Rep Ivy Spohnholz  
Status: Passed House, now Senate HSS then JUD
- HB 106, "Civil Legal Services Fund," Rep Zach Fansler  
Status: Passed House and Senate JUD, Now FIN
- HB 186, "Food Donations," Rep David Talerico  
Status: Passed House, Senate HSS and FIN, Now RULES

## ACoA Legislative Advocacy Priorities

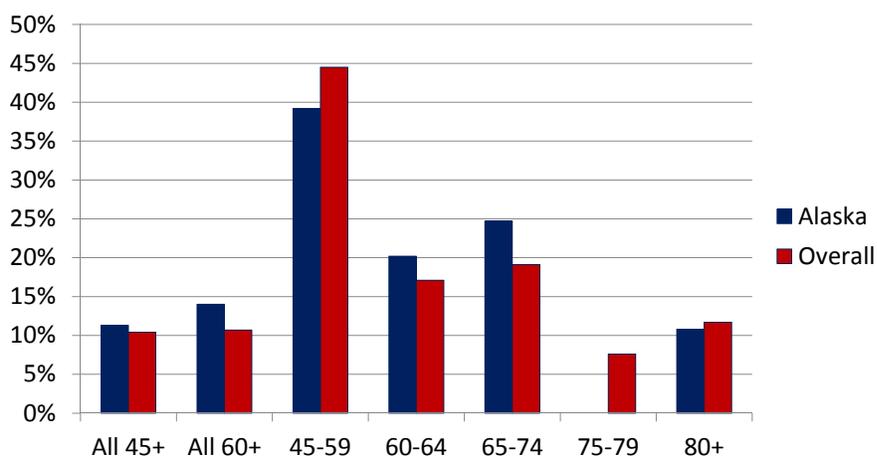
- Support HB 236 to extend the sunset clause of the Alaska Senior Benefits Program.
- Protect the Senior Safety Net for vulnerable older Alaskans to the greatest extent possible.
- Increase appropriate supports for family and other natural caregivers for older Alaskans.
- Improve capacity to serve Alaskans with Alzheimer's disease and related dementias.

## New Findings from the BRFSS Perceived Cognitive Decline Module, 2016

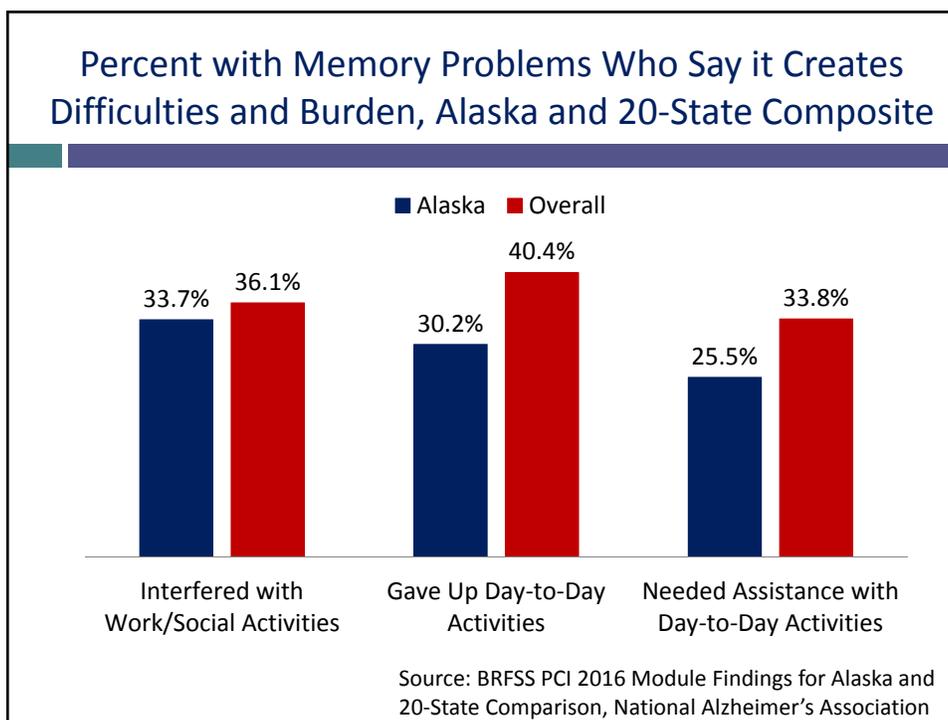
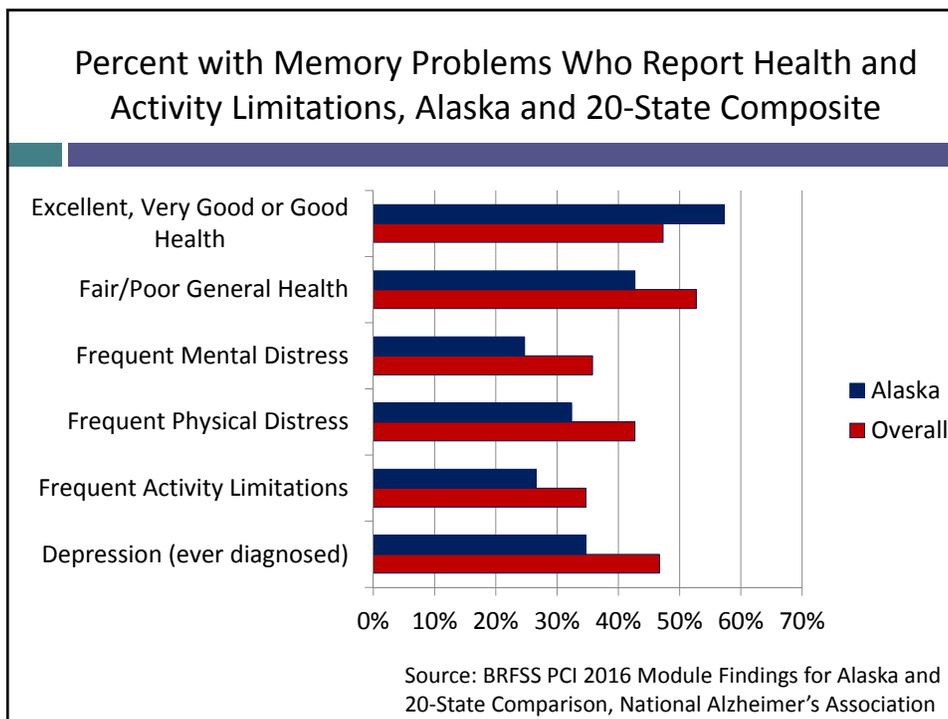
### Alaska and 20-State Composite Comparison



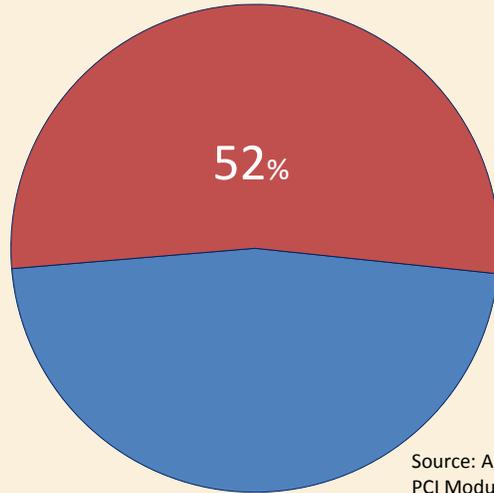
### Percent Alaskans with Subjective Cognitive Decline Compared to 20-State Composite (BRFSS 2016)



Source: BRFSS PCI 2016 Module Findings for Alaska and 20-State Comparison, National Alzheimer's Association



### Percent of Alaskans with Subjective Cognitive Decline age 65+ who have not talked to a health care provider



Source: Alaska 2016 BRFSS PCI Module findings

### Risks for Seniors with Subjective Cognitive Decline Who Live Alone

**Almost 1 in 3**

Alaskans with Subjective Cognitive Decline Live Alone

**Increased Risk for**

- Self-Neglect
- Falls
- Wandering
- Hospitalizations



Source: Alaska 2016 BRFSS PCI Module findings and National Alzheimer's Association

## Alaska Commission on Aging Update

- Alaska State Plan for Senior Services, FY2019-FY2023
  - Needs Assessment Activities
    - Senior Survey
    - Elder Senior Listening Forums
- ACoA Legislative Advocacy Meeting and Rural Outreach, February 5-9, 2018

Thank you! Questions?



*Seniors enjoying congregate lunch at the Juneau Senior Center*

# Approval

## MEMO

**To:** Board of Trustees  
**Through:** Mike Abbott, Chief Executive Officer  
**From:** Steve Williams, Chief Operating Officer  
**Date:** January 17, 2018  
**Re:** FY18 Authority Grant Budget Modification  
**Amount:** \$250,000

### **REQUESTED MOTION:**

*Approve the transfer of \$250,000 of FY18 authority grant funds from the FY18 small projects line to the FY18 partnerships/designated grants line.*

### **REQUEST**

This request seeks trustee approval to modify the FY18 authority grant budget by reallocating the \$250,000 small projects line to the partnerships/designated grants line. This will increase the FY18 partnership/designated grant funding available from \$1,500,000 to \$1,750,000. It is anticipated that additional \$250,000 will be awarded to grantees during FY18.

### **BACKGROUND**

Since 2000, the Trust has offered small project grants of up to \$10,000 to non-profit organizations for innovative new program ideas and program improvements that directly impact beneficiaries. In recent years, given Alaska's fiscal situation, grantee demand for this type grant funding has decreased as organizations focus more on their core operations and less on innovative program ideas and improvements.

Between FY10 and FY15, the small projects grant program averaged 31 approved requests per year, awarding all approved funds. In FY16 and FY17, the number of applications and the amount of grant funding awarded declined. In those two fiscal years, the Trust awarded an average of 18 grants for \$155,040 per year. To date, there have been no FY18 small project grants awarded, as the 13 requests received did not meet the program guidelines. This trend is an indicator of the community provider system's changing focus and funding need given the current fiscal climate.

In response to the changing needs of our grantees and an anticipated increase for partnerships/designated grant requests, staff recommended and trustees approved not including funding for the small projects grant program in the FY19 budget. Rather, in FY19 the funding will be divided between the partnership/designated grants and the behavioral health and developmental disabilities mini-grant programs.

Staff will continue to evaluate grant proposals focused on innovative program ideas and improvements and support those proposals through the partnerships/designated grant program when appropriate.

# **Program & Planning Committee Report**

## MEMO

**To:** Board of Trustees  
**Through:** Mike Abbott, Chief Executive Officer  
**From:** Michael Baldwin, Evaluation & Planning Officer  
**Date:** January 16, 2018  
**Re:** Program & Planning Committee Report

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There has been one meeting of the Program and Planning Committee since the last board report. The meeting occurred on January 4, 2018 and was attended by trustees Christopher Cooke (Chair), Laraine Derr (telephone), Paula Easley, Greg Jones, Mary Jane Michael, Jerome Selby, and Carlton Smith.

The focus of the January 4, 2018 Program and Planning Committee was upon:

- *Medicaid Reform Update:* Randall Burns (Division of Behavioral Health), Gennifer Moreau (Department of Health & Social Services), and Duane Mayes (Division of Senior and Disabilities Services) provided updates on the current status of FY18 Medicaid reform projects and projection for unexpended FY18 and FY19 MHTAAR funds.
- *Research – Public Perceptions of the Trust and Trust Beneficiaries.* Dr. Jean Craciun provided an overview of recent survey results on the public perceptions of the Trust and Trust beneficiaries.
- *Alaska 2-1-1:* Sue Brogan, Chief Operating Officer of the United Way, provided an update on current United Way initiatives involving Alaska 2-1-1 as an information and resource center. Data was presented from the Recover Alaska Resource Center alcohol and substance use disorder referrals and outreach efforts.

Next Scheduled Program and Planning Committee meeting: April 18, 2018.



# MEDICAID IN ALASKA

December 29, 2017 Report Month

## 39,864

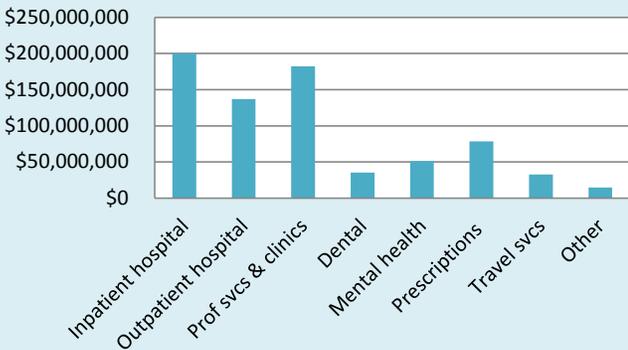
Lives covered by Medicaid expansion

### Demographics of Medicaid expansion enrollees

	19-34	35-44	45-54	55-64
Enrollee count	15,980	6,703	8,284	8,897
Male	23,054		Female	
			16,810	

Medicaid expansion began on Sept. 1, 2015 in Alaska.

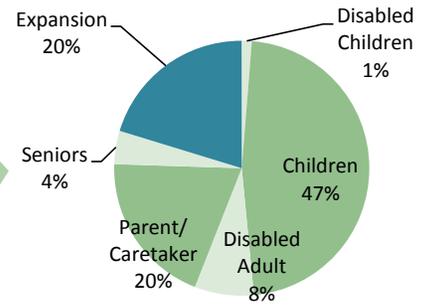
### Medicaid expansion claims paid to date



100% federally funded through CY16 and will transition to 90% in 2020 and beyond.

Medicaid provides health benefits to many Alaskans.

### All Medicaid enrollees by category



### Medicaid enrollees by region

Alaskans across the state benefit from Medicaid.

**Northern**  
All Medicaid: 10,724  
Expansion only: 1,538

**Southwest**  
All Medicaid: 21,548  
Expansion only: 3,057

**Interior**  
All Medicaid: 22,303  
Expansion only: 4,553

**Anchorage/Mat-Su:**  
All Medicaid: 101,158  
Expansion only: 21,218

**Southeast**  
All Medicaid: 18,692  
Expansion only: 4,477

**Gulf Coast**  
All Medicaid: 21,797  
Expansion only: 4,930

**Out of state\***  
All Medicaid: 540  
Expansion only: 91

\*Temporarily absent or in an out of state medical institution.

## 196,762

Lives covered by all Medicaid

### Demographics of all Medicaid enrollees

	18 or less	19-34	35-44	45-54	55-64	65+
Enrollee count	89,608	44,512	19,844	16,483	16,003	10,312
Male	96,343		Female		100,419	

## The DBH Comprehensive Daily Census Report (CDCR)

*Including:*

the Fairbanks Memorial Hospital MH and Bartlett Regional Hospital MH (DET) Units,  
the Providence Psychiatric Emergency Room,  
the Providence Crisis Recovery Center, & the Alaska Psychiatric Institute

***Patient Census Information for January 16, 2018  
(As of Midnight)***

Alaska Psychiatric Institute	Today's Census / Maximum Capacity	Admits to each Unit During the Previous 24 Hours	Discharges from each Unit During the Previous 24 Hours
<b>Hospital Units Total:</b>	<b>68 / 70</b>	<b>2</b>	<b>0</b>
Chilkat (Adolescents 13 thru 17)	9 / 10	0	0
Denali (Longer Term & T12's)	10 / 10	0	0
Katmai (Adult Acute Care)	24 / 24	1	0
Susitna (Adult Acute Care)	25 / 26	1	0
*Taku (Adult Secure & T12's)	0 / 0	0	0
<b>Total T-12's in-house – 9</b>			<b>Bed Holds: 2</b>
<i>*The 10-bed Taku unit closed on December 28<sup>th</sup>, the second of API's units to close as part of API's hospital-wide renovation project. Unit-by-unit renovations are expected to continue through the end of April 2018.</i>			<b>Pass: 1</b>
			<b>ADH: 1</b>

Providence Crisis Recovery Center		
*the PCRC can admit youth up to 18yrs if in OCS custody	Adult (18+)	Adolescents (13 – 17*)
<b>Census at Midnight / Maximum Capacity: 12 / 16 ▶</b>	5	7
Total Admissions During the Previous 24 Hours	1	0
Number of admits from Providence Psych ED	0	0
Number of admits from API	0	0
Number of admits from ACMHS Emergency Services	0	0
Number of admits from SCF's BURT Team	0	0
Number of admits from Other Referral Sources	1	0
Discharges During the Previous 24 Hours	0	0
Pending Admissions		

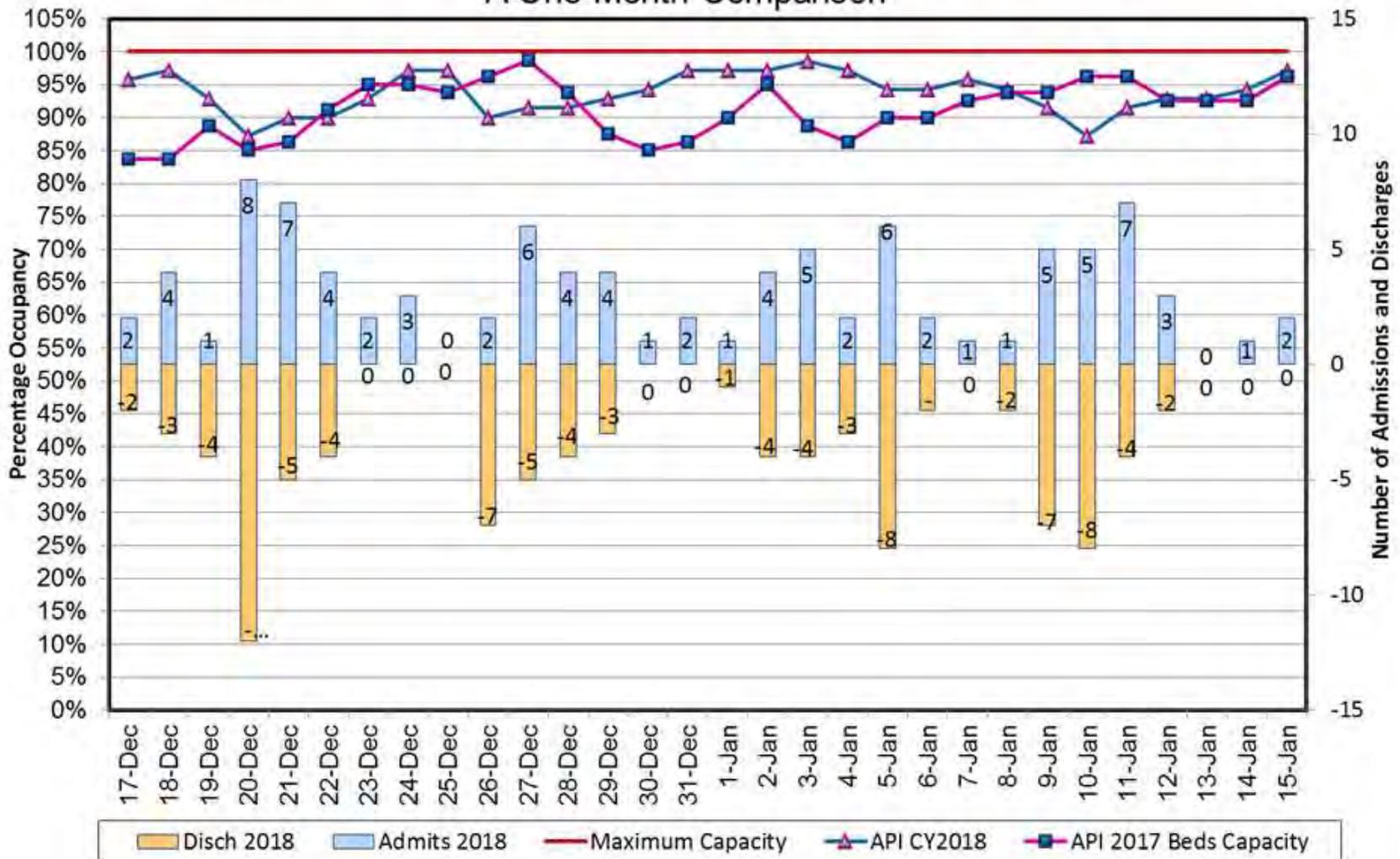
Fairbanks Memorial Hospital – MH Unit DET Bed Utilization	Bartlett Regional Hospital – MH Unit DET Bed
<b>20 Bed DET Capacity:</b> 4 “Intensive Care” Beds 16 Acute Care Beds	<b>12 Bed DET Capacity:</b> However, NB: BRH has an agreement with Rainforest Recovery Center (a SUD program) to accept RRC detox patients if there are unused DET Beds available on their MH Unit
<b><u>9</u> of <u>20</u> Total DET Beds Occupied Today:</b>	<b><u>12</u> of <u>12</u> Total DET Beds Occupied Today:</b>
<b><u>4</u> of <u>4</u> Intensive Care Beds Occupied Today</b>	<b><u>12</u> Mental Health Beds Occupied Today</b>
<b><u>5</u> of <u>16</u> Regular Acute Beds Occupied Today</b>	<b><u>13</u><del>8</del> Bed(s) Occupied by Detox Patients Today</b>

## Providence Psychiatric Emergency Department (PPED)

The PPER, as the single point of entry program for the Anchorage area, accepts both adolescents and adults for emergency assessment and triage.

	Adults	Adolescents
<b>Total Number of Persons Admitted During the Previous 24 hours</b>	<b>6</b>	
Number of Persons in an <b>Observation</b> Bed as of Midnight	<b>8</b>	<b>1</b>
Number <b>Discharged Home</b> as of Midnight	<b>4</b>	
Number in an Observation Bed as of Midnight but <b>Awaiting Transfer to API</b> under a Court Order for Hospitalization for Evaluation at API	<b>5</b>	
Number <b>Transferred to the PAMC Discovery Program</b> [The <b>Discovery</b> Unit is a voluntary 15 bed in-patient <b>adolescent</b> unit (ages 13-17) at Providence Alaska Medical Center (PAMC) in Anchorage.]		
Number Transferred to the PAMC Mental Health Unit ( <b>MHU</b> ) [The Mental Health Unit at Providence is a voluntary 12 bed in-patient <b>adult</b> unit (ages 18 and over) at PAMC.]		
Number Transferred to Alaska Psychiatric Institute		
Number Transferred to the PAMC Crisis Recovery Center ( <b>CRC</b> )		
Number Transferred to <b>North Star</b> Behavioral Health (Children & Adolescent Hospital) [Children and adolescent boys and girls are admitted to North Star; see the census report below.]		
Number Discharged to a <b>Shelter</b> like AWAIC or the Brother Francis		
Number that “Left Without Being Seen” ( <b>LWBS</b> )		
Number Discharged to the Ernie Turner Center ( <b>E. T.</b> ) for Detox		
Number Discharged to the <b>Chris Kyle Patriots Hospital</b> at North Star Behavioral Health [Only active adult military personnel and their adult family members are admitted to North Star under this program.]		
Number Admitted to a <b>Medical Unit</b> within Providence Alaska Medical Center		
Number Transferred to the Alaska Native Medical Center ( <b>ANMC</b> ) Medical Unit		
Number Discharged to the Community Service Patrol ( <b>CSP</b> )		
Number Discharged to the Anchorage <b>Jail</b>		
Number Transferred on a Court Order to a DET bed at Fairbanks Memorial Hospital		
Number Transferred on a Court Order to a DET bed at Bartlett Regional Hospital (BRH)		
Number Transferred to a Detox bed at the FB Native Association’s Ralph Perdue Center		
Number Transferred to a Detox bed in Juneau at BRH’s Rainforest Recovery Center		
Number Discharged <b>Other</b>		

## API Midnight Census as a Percentage of Total Occupancy - A One Month Comparison



Special Note: The Taku unit closed on December 27, 2017 for renovations which are expected to continue until approximately May 1, 2018. The total bed capacity is reduced from 80 beds to 70 during this period. The maximum capacity reflects this reduction.

# **Resource Management Committee Report**

# Memorandum



**To:** Carlton Smith, Chair  
Resource Management Committee

**Date:** January 8, 2018

**From:** Becky Chandler, Executive Assistant

**Subject:** January 4, 2018 – Resource Management Committee Meeting Summary

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The Resource Management Committee met on January 4<sup>th</sup>, 2018, and reviewed two consultations presented by TLO staff. The two consultations require full board review. After consultation, the Resource Management Committee concurred with each proposal:

***The RMC concurred with the following 2 consultations:***

**Item A - MHT 9100589 - AMHT-USFS Land Exchange**

**Proposed Motion:** *“Alaska Mental Health Trust Authority board of trustees concurs with the Executive Director of the Trust Land Office’s decision that the land exchange contemplated by the Alaska Mental Health Land Exchange Act of 2017 is in the best interest of the Trust, as required by 22 SLA 17, Section 6 (a)(2).”*

**Anticipated Revenues/Benefits:** The initial timber sales are expected to provide a minimum of \$40 million in revenue. The TLO has determined that the land exchange will position the AMHT to monetize assets which are not currently developable due to economic or political considerations. The repositioning of the Trust timber portfolio will allow for sustainable timber harvests in perpetuity. The Trust’s SE Alaska timber lands will be consolidated in to 3 areas (Icy Bay, Prince of Wales Island, and Ketchikan) totaling over 50,000 acres. These areas have established road systems and are generally recognized as timber production. The annual revenue from the 12 to 16 mmbf ASQ (annual sale quantity) should be around \$2 million depending on markets. The lands the Trust will acquire from the exchange may also have future value through development of residential, recreational, and hydroelectric projects.

**Item B – MHT 9200688 – Donlin Gold, LLC – Conservation Purchase**

**Proposed Motion:** *“Alaska Mental Health Trust Authority board of trustees concurs with the Executive Director of the Trust Land Office’s decision to dispose of a portion of Trust Parcels SM-7016; SM-7015; SM-1530-B01; SM-1505-A01; and, SM-1506-01, through the selling of a conservation easement, lease, deed restriction, restrictive*

*covenant, or other conveyance or instrument restricting certain surface use activities for purposes of retaining or protecting wetland values of the Trust property.”*

**Anticipated Revenues/Benefits:** A conservation agreement between Donlin Gold, LLC and the Trust Land Office would potentially generate \$1.5 million in revenue for the Trust on land that would otherwise not be developed due to the fact that the property consists of wetlands, and is located in a remote area far away from any developed access, and in an area, that would require significant access development costs, which would outweigh any positive financial returns. The revenue generated will exceed the fair market value for its surface value. The Trust would continue to own the property and the subsurface resources.

cc: Board of Trustees  
Mike Abbott, CEO Alaska Mental Health Trust Authority  
Wyn Menefee, Executive Director, Trust Land Office

# **Audit & Risk Committee Report**

**To:** Board of Trustees  
**Through:** Mike Abbott, Chief Executive Officer  
**From:** Andrew Stemp, Chief Financial Officer  
**Date:** January 16, 2018  
**Re:** Audit & Risk Committee Report

## REQUESTED MOTION:

*The Audit & Risk Committee recommends that the full Board of Trustees accept the Trust audit report as presented by BDO on January 4, 2018.*

### Meeting Summary:

There has been one meeting of the Audit & Risk Committee since the last board report. The meeting occurred on January 4, 2018 and was attended by trustees Christopher Cooke, Laraine Derr, Paula Easley, Greg Jones, Mary Jane Michael, Jerome Selby (Acting Chair), and Carlton Smith.

The prime focus of the January 4, 2018 Audit & Risk Committee was upon reviewing the external auditor report, presented by BDO LLP. Key points from the auditor's report were:

- *Financial Results:* Overall strong financial performance, with a growth in unrestricted fund balance.
- *Areas for Improvement:* Need for additional oversight on the year end closing process, including making sure all prior year audit entries are posted. Recommendations from BDO include additional training for key staff on the computer system and implementing a soft close procedure to double check the accuracy of account balances at year end. Management agreed with BDO's recommendations and is working to implement those improvements.
- *Upcoming Changes:* The Trust will be impacted by the upcoming implementation of new accounting standards. The new standards will mirror standards previously enacted for recording PERS liabilities for pension obligations. In this situation, the Trust will also be required to record a liability for the value of post-retirement healthcare costs. The total dollar amount of the liability has not yet been calculated by the State's actuaries.

Additional committee discussion followed, including questions and answers with BDO and management. Based on that discussion, the committee made several recommendations to management:

- *Committee Recommendations:* To improve the clarity of the financial information presented on the Trust real estate investments, the Committee recommended expanding a footnote in the financial statements to present more detailed information. Management and BDO agreed with the Committee recommendations and will incorporate this in the final report.

The Audit & Risk Committee concluded at 12:15 pm. The next scheduled meeting of the Audit & Risk Committee is **April 18, 2018**.

# **Finance Committee Report**

**To:** Board of Trustees  
**Through:** Mike Abbott, Chief Executive Officer  
**From:** Andrew Stemp, Chief Financial Officer  
**Date:** January 16, 2018  
**Re:** Finance Committee Report

## **REQUESTED MOTION #1:**

*The full Board of Trustees approve the Finance Committee's recommended motion to consolidate the inflation-proofing account into the main investment portfolio.*

## **REQUESTED MOTION #2:**

*The full Board of Trustees approve the Finance Committee's recommended motion to authorize the transfer of \$21,111,000 from the Alaska Permanent Fund Budget Reserve accounts to the Mental Health Settlement Income Account to finance the FY2018 base disbursement calculation.*

### **Meeting Summary:**

There has been one meeting of the Finance Committee since the last board report. The meeting occurred on January 4, 2018 and was attended by trustees Christopher Cooke, Laraine Derr, Paula Easley, Greg Jones, Mary Jane Michael, Jerome Selby (Chair), and Carlton Smith.

The January 4, 2018 Finance Committee addressed four items:

**Cash Management Report:** The Committee reviewed the report provided, with additional attention and commentary around the efforts of the Trust Land Office to generate revenues as well as the success of the Trust's overall investments. A suggestion was made to modify the cash management report and include a separate section that summarizes the performance of the real estate investments.

**Account Consolidation/Inflation Proofing Transfer:** The Committee approved consolidating \$5 million previously segregated from the reserve accounts as inflation-proofing into the main investment portfolio at the Permanent Fund. A copy of this motion is attached for your reference.

**FY 2018 Pay-Out:** The Committee reviewed the proposed payout calculation and approved transferring \$21,111,000 from the investment earnings to support Trust operations. A copy of this motion is attached for your reference.

**FY 2019 Budget Update:** CEO Mike Abbott and Program Office Michael Baldwin provided the committee members with a detailed discussion of the upcoming budget.

Additional committee discussion followed, around the proposed policy for investment of Trust principal. This policy is under development and continues together feedback from the Trustees as well as the advisory boards and Trust staff. An updated draft of the policy will be circulated by the time of the full board meeting on January 24<sup>th</sup>. No additional actions were taken on this item.

The Finance Committee concluded at 4:05 pm. The next scheduled meeting of the Finance Committee is **April 18, 2018.**

## MEMO

**To:** Jerome Selby, Finance Committee Chair  
**From:** Andrew Stemp, Chief Financial Officer  
**Date:** December 21, 2017  
**Re:** Account Consolidation Transfer

### **REQUESTED MOTION:**

*A motion approving a transfer of \$5.0 million from APFC Budget Reserves previously assigned for inflation proofing into APFC Principal.*

### **BACKGROUND**

The Trust considers the impact of inflation on the resources available to meet beneficiary needs. As part of an effort to mitigate the impact of inflation in January 2014 the Trustees reserved \$5 million as inflation proofing assets. These funds were managed by the Alaska Permanent Fund Management Corporation, but retained outside of the main Trust portfolio. The segregation of these assets was intended to give the Trust maximum flexibility to invest the money, but still have access to the money should there be a reason to spend the money to meet beneficiary needs.

### **RECOMMENDATION**

At this time, the Trust has significant reserves available to meet unanticipated needs and would be better served by transferring that money into the APFC principal. Taking this action will simplify administration of Trust assets and permanently commit the money to the Trust portfolio.

## MEMO

**To:** Jerome Selby, Finance Committee Chair  
**From:** Andy Stemp, Chief Financial Officer  
**Date:** December 19, 2017  
**Re:** Annual payout transfer  
**Fiscal Year:** 2018

### REQUESTED MOTION:

*The Finance Committee recommends that the full board of trustees authorize the transfer of \$21,111,000 from the Alaska Permanent Fund Budget Reserve accounts to the Mental Health Settlement Income Account to finance the FY 2018 base disbursement payout calculation. The CFO may fulfill this motion with one lump sum or multiple transfers.*

### BACKGROUND

The Asset Management Policy Statement (AMPS) provides for an annual payout disbursement calculation consisting of 4.25% of the rolling four-year average aggregate net asset value (NAV) of principal and budget reserve investment balances held the Alaska Permanent Fund Corporation (APFC) and the Department of Revenue.

The calculation for the FY18 payout and drawdown from APFC budget reserves is as follows:

	<i>FY Ending NAV</i>
FY 2014	\$500,866,741
FY 2015	500,472,541
FY 2016	484,334,872
FY 2017	<u>501,256,000</u>
Average NAV:	\$ 496,732,538
	<u>x 4.25%</u>
Payout disbursement calculation ( <i>rounded</i> ):	\$ 21,111,000

Because of the increase in the average value of the fund, this requested payout is \$498,000 greater than the previous year.